



**Registration of a Charge**

Company name: **ADVANCE NORTHUMBERLAND (DEVELOPMENTS) LIMITED**  
Company number: **07497567**



X93XY3ZT

Received for Electronic Filing: **28/04/2020**

---

**Details of Charge**

Date of creation: **24/04/2020**  
Charge code: **0749 7567 0006**  
Persons entitled: **THE MOST NOBLE RALPH GEORGE ALGERMON TWELFTH DUKE OF NORTHUMBERLAND, THE HONOURABLE JAMES WILLIAM EUSTACE PERCY AND HUGH MURRAY CHARLES COGHILL AS THE TRUSTEES OF THE EARL PERCY 2015 MAINTENANCE FUND**  
Brief description: **LAND ON THE NORTH SIDE OF HILLSIDE BELLINGHAM, HEXHAM, REGISTERED AT HM LAND REGISTRY UNDER TITLE NUMBER ND143053**  
**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:

**DWF LAW LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 7497567

Charge code: 0749 7567 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 24th April 2020 and created by ADVANCE NORTHUMBERLAND (DEVELOPMENTS) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th April 2020 .

Given at Companies House, Cardiff on 29th April 2020

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



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

**Dated** 24 APRIL **2020**

**Advance Northumberland (Developments) Limited**

**and**

**The Most Noble Ralph George Algernon Twelfth Duke of Northumberland, The  
Honourable James William Eustace Percy and Hugh Murray Charles Coghill as The  
Trustees of the Earl Percy 2015 Maintenance Fund**

---

**Legal Mortgage**

**relating to**

**land on the north side of Hillside Bellingham,  
Hexham**

---

## Contents

Clause	Page
1. Definitions and Interpretation .....	1
2. Covenant to Pay .....	4
3. Grant of Security .....	5
4. Perfection of Security .....	5
5. Liability of The Borrower .....	5
6. Covenants.....	6
7. Powers of The Lender.....	6
8. Enforcement .....	6
9. Receivers.....	7
10. Powers and Capacity of a Receiver .....	8
11. Delegation.....	8
12. Application of Proceeds .....	8
13. Protection of Third Parties.....	9
14. Costs and Indemnity .....	9
15. Power of Attorney .....	10
16. Release.....	10
17. Assignment and Transfer .....	11
18. Further Provisions.....	11
19. Notices.....	12
20. Governing Law and Jurisdiction .....	13
Schedule 1 – Property.....	14
Schedule 2 – Covenants .....	15
Part 1 – General Covenants.....	15
Part 2 – Property Covenants.....	16
Schedule 3 – Powers of the Lender .....	18
Schedule 4 – Powers of a Receiver .....	19

Schedule 5 – Events of Default .....	22
--------------------------------------	----

This Deed is dated 24 APRIL

2020

Between

- (1) **Advance Northumberland (Developments) Limited** incorporated and registered in England and Wales with company number 07497567 whose registered office is at Wansbeck Workspace, Ashington, Northumberland NE63 8QZ ("the Borrower"); and,
- (2) **The Most Noble Ralph George Algernon Twelfth Duke of Northumberland, The Honourable James William Eustace Percy and Hugh Murray Charles Coghill as The Trustees of the Earl Percy 2015 Maintenance Fund** of The Estates Office, Alnwick Castle, Alnwick, Northumberland NE66 1NQ ("the Lender").

Background

- (A) Immediately prior to the entering into this legal mortgage, the Lender has sold and the Borrower has purchased the Property but the Lender has agreed to defer part of the consideration payable by the Borrower to the Lender under and in accordance with the terms of the Contract.
- (B) The Borrower is now the owner of the Property.
- (C) This legal mortgage provides security which the Borrower has agreed to give the Lender for the deferred consideration due under the Contract.

Agreed Terms

1. Definitions and Interpretation

1.1. Definitions:

The definitions and rules of interpretation in this clause apply in this legal mortgage.

"Business Day"	a day (other than a Saturday or a Sunday) on which commercial banks are open for general business in London and deposits are dealt with on the London Interbank Market;
"Contract"	a contract for the sale of the Property dated 20 December 2018 between (1) the Lender and (2) the Borrower;
"Costs"	all proper 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

	any breach of any provision of this legal mortgage by the Borrower;
"Deferred Payment"	the instalments of the Purchase Price payable pursuant to clause 13.2.2 of the Contract;
"Delegate"	any person appointed by the Lender or any Receiver pursuant to clause 12 and any person appointed as attorney of the Lender, Receiver or Delegate;
"Dwelling"	means a residential dwellinghouse (whether detached or semi-detached part of a terrace or otherwise) or a residential maisonette or apartment (to include any Affordable Housing Unit);
"Encumbrance"	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;
"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 Property;
"Event of Default"	means any of the events of default set out in Schedule 5;
"LPA"	the Law of Property Act 1925;
"Property"	the freehold property owned by the Borrower described in Schedule 1;
"Purchase Price"	has the same meaning given to that expression in the Contract;



"Receiver"	a receiver and/or manager of the Property;
"Secured Liabilities"	the obligations set out in clause 13.2 of the Contract to pay the Deferred Payment on the dates specified in clause 13.2 together with default interest (if any) accruing in respect of such monies or liabilities;
"Security Period"	the period starting on the date of this legal mortgage and ending on the date on which all the Secured Liabilities have been paid and discharged fully in accordance with the Contract;
"VAT"	value added tax chargeable under the Value Added Tax Act 1994 and any similar replacement and any additional replacement tax.

## 1.2. Interpretation

In this legal mortgage:

- 1.2.1. a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment or extension and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.2.2. unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.2.3. unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular.
- 1.2.4. a reference to a clause or Schedule is to a clause of, or Schedule to, this legal mortgage and references to paragraphs are to paragraphs of the relevant Schedule, unless the context otherwise requires.
- 1.2.5. a reference to this legal mortgage (or any provision of it) or any other document shall be construed as a reference to this legal mortgage, that provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties.
- 1.2.6. a reference to a person shall include a reference to an individual, firm, company, partnership, corporation, unincorporated body of persons, or any state or any agency of any person.
- 1.2.7. a reference to an amendment includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly).
- 1.2.8. a reference to assets includes present and future properties, undertakings, revenues, rights and benefits of every description.

- 1.2.9. a reference to an authorisation includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution.
- 1.2.10. 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.
- 1.2.11. a reference to determines or determined means, unless the contrary is indicated, a determination at the discretion of the person making it.
- 1.2.12. clause, Schedule and paragraph headings shall not affect the interpretation of this legal mortgage.

### 1.3. Nature of security over real property

A reference in this legal mortgage to a charge or mortgage of or over the Property includes:

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

### 1.4. Third party rights

A third party (being any person other than the Borrower, the Lender and its permitted successors and assigns, any Receiver and any Delegate) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this legal mortgage.

### 1.5. Schedules

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

## 2. **Covenant to Pay**

### 2.1. Payment of Secured Liabilities

The Borrower covenants that it will discharge and pay to the Lender the Secured Liabilities when they become due under the Contract.

2.2. Payment of interest

The Borrower shall pay interest on any amounts that are still due to be paid under the Contract after the date on which they are due to be paid thereunder from day to day until full discharge (whether before or after judgment, liquidation, winding-up or administration of the Borrower) at the rate of 4% per annum above the base rate from time to time of Barclays Bank plc. In the case of any Costs, such interest shall accrue and be payable as from the date on which the relevant Costs arose, without the need for any demand for payment being made PROVIDED ALWAYS THAT the discharge of this obligation by the Borrower discharges any obligation on the Borrower to pay interest set out in the Contract.

3. **Grant of Security**

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 by way of legal mortgage the Property.

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 the Property:

"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 ~~24 APRIL 2020~~ 2018 in favour of The Most Noble Ralph George Algernon Twelfth Duke of Northumberland, The Honourable James William Eustace Percy and Hugh Murray Charles Coghill referred to in the charges register or their conveyancer."

4.2. Cautions against first registration and notices

Whether or not title to the Property 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 Property, the Borrower shall immediately upon becoming aware of the same 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 was subsequent to this legal mortgage and is not permitted under this legal mortgage, the Borrower shall immediately, and at its own expense, take such steps as the Lender may reasonably 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 legal mortgage in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- 5.1.1. 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; or
- 5.1.2. 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
- 5.1.3. any other act or omission, which 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 legal mortgage against the Borrower.

6. **Covenants**

The Borrower covenants with the Lender in the terms set out in Schedule 2.

7. **Powers of The Lender**

The Lender shall have the powers set out in Schedule 3.

8. **Enforcement**

8.1. **When security becomes enforceable**

The security constituted by this legal mortgage shall be immediately enforceable and the power of sale and other powers given by section 101 of the LPA (as varied or extended by this legal mortgage) shall be immediately exercisable at any time after the occurrence of an Event of Default.

8.2. **When statutory powers arise**

Section 103 of the LPA shall not apply to this legal mortgage and the statutory power of sale and other powers given by section 101 of the LPA (as varied or extended by this legal mortgage) shall, as between the Lender and a purchaser, arise on the execution of this legal mortgage and be exercisable at any time after such execution, but the Lender shall not exercise such power of sale until the security constituted by this legal mortgage has become enforceable under clause 8.1.

8.3. **Enforcement of security**

After the security constituted by this legal mortgage 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 Property but subject to the terms of this legal mortgage.

8.4. Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders are extended so as to authorise the Lender and any Receiver, at any time after the security constituted by this legal mortgage has become enforceable, whether in its own name or in that of the Borrower, to make any lease or agreement for lease, accept surrenders of leases or grant any option of the whole or any part of the Property with whatever rights relating to other parts of it, containing whatever covenants on the part of the Borrower, generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium 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.

8.5. Privileges

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

8.6. No liability as mortgagee in possession

Save as required by law, neither the Lender, any Receiver nor any Delegate shall be liable to account as mortgagee in possession in respect of the 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, the Property for which a mortgagee in possession might be liable as such.

8.7. Relinquishing possession

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

9. **Receivers**

9.1. Appointment and removal of a Receiver

At any time after the security constituted by this legal mortgage has become enforceable or at the request of the Borrower, the Lender may, without further notice:

9.1.1. appoint under seal or in writing, by a duly authorised officer of the Lender, any one or more person or persons to be a receiver or a receiver and manager, of the Property; and

9.1.2. (subject to section 45 of the Insolvency Act 1986) from time to time, under seal or in writing, by a duly authorised officer of the Lender, remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.

Where more than one person is appointed Receiver, they shall have power to act separately (unless the appointment by the Lender specifies to the contrary).

9.2. Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this legal mortgage shall be in addition to all statutory and other powers of the Lender under the Insolvency Act

1986, the LPA or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA.

9.3. Power of appointment exercisable despite prior appointments

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

10. **Powers and Capacity of a Receiver**

10.1. Powers of a Receiver

Any Receiver appointed by the Lender under this legal mortgage shall, in addition to the powers conferred on him by the LPA and the Insolvency Act 1986, have the powers set out in Schedule 4.

10.2. Scope of Receiver's powers

Any exercise of any of the powers of a Receiver by the Receiver may be on behalf of the Borrower, the directors of the Borrower or himself.

10.3. Receiver is agent of the Borrower

Any Receiver appointed by the Lender under this legal mortgage shall be the agent of the Borrower and the Borrower shall be solely responsible for his acts and remuneration, as well as for any defaults committed by him. 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.

11. **Delegation**

Each of the Lender and 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 legal mortgage (including the power of attorney granted under clause 15.1). Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Lender or any Receiver shall think fit. 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.

12. **Application of Proceeds**

12.1. Order of application

All monies received by the Lender, a Receiver or a Delegate (other than sums received pursuant to any Insurance Policy) pursuant to this legal mortgage after the security constituted by this legal mortgage has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA) be applied:

- 12.1.1. first in paying all proper costs, charges and expenses of, and incidental to, the appointment of any Receiver and the exercise of his powers and all outgoings properly paid by him;

- 12.1.2. second in paying the reasonable and proper remuneration of any Receiver (as agreed between the Receiver and the Lender);
- 12.1.3. third in or towards discharge of the Secured Liabilities in such order and manner as the Lender determines; and
- 12.1.4. finally in paying any surplus to the Borrower.

## 12.2. Appropriation

Neither the Lender, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA, 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.

## 13. **Protection of Third Parties**

### 13.1. Protection of third parties

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

- 13.1.1. to enquire whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged, or whether the power the Lender or a Receiver or Delegate is purporting to exercise has become exercisable; or
- 13.1.2. to see to the application of any money paid to the Lender or any Receiver or Delegate.

### 13.2. 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 the Property or in making any acquisition in the exercise of their respective powers, the Lender, every Receiver and every Delegate may do so for such consideration, in such manner and on such terms as it or he thinks fit.

## 14. **Costs and Indemnity**

### 14.1. Costs

The Borrower shall pay to, or reimburse, the Lender and any Receiver on demand, on a full indemnity basis, all Costs properly incurred by the Lender, any Receiver or Delegate in relation to:

- 14.1.1. any breach of the Borrower's obligations in this legal mortgage or the Property;
- 14.1.2. taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, Receiver's or Delegate's rights under this legal mortgage; and
- 14.1.3. suing for, or recovering, any of the Secured Liabilities,

(including, without limitation, the Costs of any proceedings in relation to this legal mortgage or the Secured Liabilities), together with interest payable pursuant to clause 2.2.

14.2. Indemnity

The Lender, any Receiver and any Delegate, and their respective employees and agents, shall be indemnified on a full indemnity basis out of the Property in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:

14.2.1. the exercise, or purported exercise, of any of the powers, authorities or discretions vested in them under this legal mortgage; or

14.2.2. any matter or thing done, or omitted to be done, in relation to the Property under those powers; or

14.2.3. any default or delay by the Borrower in performing any of its obligations under this legal mortgage.

15. **Power of Attorney**

15.1. 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 which:

15.1.1. the Borrower is required to execute and do under this legal mortgage; and

15.1.2. any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this legal mortgage or by law on the Lender, any Receiver or any Delegate.

15.2. Ratification of acts of attorneys

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in clause 16.1.

16. **Release**

16.1. On the expiry of the Security Period or the earlier discharge of the Secured Liabilities fully in accordance with the terms hereof (but not otherwise), the Lender shall within 10 (ten) Business Days, at the request and cost of the Borrower, take whatever action is necessary to release and discharge the Property from the security constituted by this legal mortgage.

16.2. The Lender shall upon request and without unreasonable delay:

16.2.1. release from this legal mortgage by complying with clause 16.2 above any land at the Property which is properly required to be transferred or leased to a supplier of gas water electricity telecommunications or



drainage services in order that such services may be supplied to any other part of the Property subject to the Borrower previously supplying to the Lender reasonable evidence of the requirement for such transfer or lease; and,

16.2.2. give its consent to the entering into by the Borrower of any deed of grant of easements and/or dedication/adoption agreement with a supplier of gas water electricity telecommunications or drainage services which will affect any land at the Property but which is properly required in order that such services may be supplied to any other part of the Property subject to the Borrower previously supplying to the Lender reasonable evidence of the requirement for such grant of easements and/or dedication/adoption agreement; and,

16.2.3. release from this legal mortgage by complying with clause 16.2 above any land at the Property which is lawfully required to be transferred to the local authority for the purposes of public open space or public highway subject to the Borrower previously supplying to the Lender reasonable evidence of the requirement for such transfer.

17. **Assignment and Transfer**

Neither the Borrower nor the Lender may assign or otherwise deal with any of their rights, or transfer any of their obligations, under this legal mortgage or enter into any transaction which would result in any of those rights or obligations passing to another person.

18. **Further Provisions**

18.1. Independent security

This legal mortgage shall be in addition to, and independent of, every other security or guarantee (if any) which 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 Property shall merge in the security created by this legal mortgage.

18.2. Continuing security

This legal mortgage 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 Secured Liabilities have been discharged in full under the terms hereof.

18.3. Rights cumulative

The rights and powers of the Lender conferred by this legal mortgage are cumulative, may be exercised as often as the Lender considers appropriate, and are in addition to its rights and powers under the general law.

18.4. Waivers

Any waiver or variation of any right by the Lender (whether arising under this legal mortgage or under the general law) shall only be effective if it is in writing and signed by the Lender and applies only in the circumstances for which it was given,

and shall not prevent the Lender from subsequently relying on the relevant provision.

18.5. Further exercise of rights

No act or course of conduct or negotiation by or on behalf of the Lender shall, in any way, preclude the Lender from exercising any right or power under this legal mortgage or constitute a suspension or variation of any such right or power.

18.6. Single or partial exercise

No single or partial exercise of any right under this legal mortgage shall prevent any other or further exercise of that or any other right.

18.7. Consolidation

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

18.8. Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this legal mortgage under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties.

18.9. Counterparts

This legal mortgage may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

19. **Notices**

19.1. Service

Each notice or other communication required to be given under, or in connection with, this legal mortgage shall be:

19.1.1. in writing, delivered personally or sent by pre-paid first-class recorded delivery letter; and

19.1.2. sent:

19.1.2.1. to the Borrower at its registered office;

19.1.2.2. to the Lender at The Estates Office, Alnwick Castle, Alnwick, Northumberland NE66 1NQ marked for the attention of: the Company Secretary,

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

## 19.2. Receipt of Notices

Any notice or other communication that either party gives shall be deemed to have been received:

19.2.1. if given by hand, at the time of actual delivery; and

19.2.2. if posted, on the second Business Day after the day it was sent by pre-paid first-class recorded delivery.

A notice or other communication given as described in clause 19.2.1 or clause 19.2.2 on a day which 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.

## 20. **Governing Law and Jurisdiction**

### 20.1. Governing law

This legal mortgage 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.

### 20.2. Jurisdiction

The parties to this legal mortgage irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this legal mortgage 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.

### 20.3. Other service

The Borrower irrevocably consents to any process in any proceedings under clause 21.2 being served on it in accordance with the provisions of this legal mortgage relating to service of notices. Nothing contained in this legal mortgage 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 – Property**

All that freehold land being land on the north side of Hillside Bellingham, Hexham, Northumberland shown edged red on the plan annexed hereto consisting of part of the land comprised in title number ND143053.

## **Schedule 2 – Covenants**

### **Part 1 – General Covenants**

#### **1. Negative Pledge And Disposal Restrictions**

The Borrower shall not at any time, except with the prior written consent of the Lender (which consent will not be unreasonably withheld or delayed):

- 1.1. create, purport to create or permit to subsist any Encumbrance on or in relation to, the Property other than this legal mortgage and the Prior Security; or
- 1.2. sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Property; or
- 1.3. create or grant (or purport to create or grant) any interest in the Property in favour of a third party

Provided that no such consent is required in relation to the creation of any interest in the Property pursuant to clause 16.2 of this legal mortgage..

#### **2. Preservation of the Property**

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

#### **3. Compliance with Laws**

- 3.1. The Borrower shall not use or permit the Property to be used in any way contrary to law.
- 3.2. The Borrower shall comply with all laws and regulations for the time being in force relating to or affecting the Property and shall obtain and promptly renew from time to time and comply with the terms of all authorisations which may be necessary to enable it to preserve, maintain or renew the Property.

#### **4. Notice of breaches**

The Borrower shall, promptly on becoming aware of any of the same, give the Lender notice in writing of any breach of any covenant set out in this Schedule 2.

#### **5. Further assurance**

The Borrower, at its own cost, shall prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as the Lender may reasonably require) in favour of the Lender as the Lender, in its absolute discretion, requires from time to time over all or any part of the Property and give all notices, orders and directions which the Lender may require, in its absolute discretion, for perfecting, protecting or facilitating the realisation of its security over the Property.

6. 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 legal mortgage).

**Part 2 – Property Covenants**

1. Repair and Maintenance

The Borrower shall not allow the premises, and fixtures and fittings on the Property, to fall into disrepair such as will have an adverse impact upon the Lender's security and shall carry out such repairs and maintenance as is required to ensure compliance with this covenant.

2. Insurance

The Borrower shall insure and keep insured the Property against all risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Borrower.

3. Insurance Premiums

The Borrower:

3.1. shall promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep such policy in full force and effect; and

3.2. shall (if the Lender so requires) produce to the Lender the receipts for all premiums and other payments necessary for effecting and keeping up the Insurance Policies.

4. No Invalidation of Insurance

The Borrower shall not knowingly do or omit to do or permit to be done or omitted any thing that may invalidate or otherwise prejudice the Insurance Policies.

5. Insurance Policies' Proceeds

Subject to the obligations of the Prior Security, the Borrower shall apply all monies payable under any of the Insurance Policies at any time (whether or not the security constituted by this legal mortgage has become enforceable) shall to the making good or recouping expenditure in respect of the loss or damage for which such monies are received or (at the Borrower's option) in or towards discharge or reduction of the Secured Liabilities but otherwise all such monies shall belong to and be paid to the Borrower absolutely.

6. No Restrictive Obligations

The Borrower shall not, without the prior written consent (such consent not to be unreasonably withheld or delayed) of the Lender, enter into any onerous or restrictive obligations or easements affecting the whole or any part of the Property.

7. Compliance with and Enforcement of Covenants

The Borrower shall observe and perform all covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject

8. Notices or Claims Relating to the Property

The Borrower shall:

8.1. 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 Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and

8.2. (if the Lender so reasonably 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, such objections or representations in respect of any such Notice as the Lender may desire.

9. Payment of Outgoings

The Borrower shall pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Property or on its occupier.

10. Environment

The Borrower shall in respect of the Property:

10.1. comply with all the requirements of Environmental Law; and

10.2. obtain and comply with all Environmental Licences; and

10.3. procure that there is no contamination of the Property after the date hereof.

11. Inspection

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

### Schedule 3 – Powers of the Lender

#### 1. Power to Remedy

1.1. The Lender shall be entitled (but shall not be obliged) to remedy a breach at any time by the Borrower of any of its obligations contained in this legal mortgage. The Borrower irrevocably authorises the Lender and its agents to do all such things as are necessary for that purpose. Any monies properly expended by the Lender in remedying a breach by the Borrower of any of its obligations contained in this legal mortgage shall be reimbursed by the Borrower to the Lender on a full indemnity basis and shall carry interest in accordance with clause 15.1.

1.2. In remedying any breach in accordance with paragraph 1.1 of this Schedule 3, the Lender, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Lender may reasonably consider necessary including, without limitation, carrying out any repairs, other works or development.

#### 2. Exercise of Rights

The rights of the Lender under paragraph 1 of this Schedule 3 are without prejudice to any other rights of the Lender under this legal mortgage. The exercise of those rights shall not make the Lender liable to account as a mortgagee in possession.

#### 3. Lender has Receiver's Powers

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

#### 4. Indulgence

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



#### **Schedule 4 – Powers of a Receiver**

1. Power to Repair and Develop the Property

A Receiver may undertake or complete any works of repair, alteration, building or development on the Property 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.

2. Power to Grant or Accept Surrenders of Leases

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting the Property and may grant any other interest or right over the Property on such terms and subject to such conditions as he thinks fit.

3. Power to Employ Personnel and Advisers

A Receiver may, for the purposes of this Schedule 4, provide services and employ, or engage, such managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on such salaries, for such periods and on such other terms as he thinks fit. A Receiver may discharge any such person or any such person appointed by the Borrower.

4. Power to Make and Revoke Vat Options to Tax

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

5. Power to Charge for Remuneration

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

6. Power to Realise the Property

A Receiver may take possession of the Property with like rights.

7. Power to 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 Property.

8. Power to Dispose of the Property

A Receiver may grant options and licences over all or any part of the Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the 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 such terms and conditions as he thinks fit. A Receiver may promote, or concur in promoting, a company to purchase the Property to be disposed of by him.

9. Power to Sever Fixtures and Fittings  
A Receiver may sever and sell separately any fixtures or fittings from the Property without the consent of the Borrower.
10. Power to Give Valid Receipts  
A Receiver may give valid receipts for all monies and execute all assurances and things which may be proper or desirable for realising any of the Property.
11. Power to Make Settlements  
A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person as he thinks fit.
12. Power to Bring Proceedings  
A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to the Property as he thinks fit.
13. Power to Insure  
A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 15.2, 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 legal mortgage.
14. Powers Under LPA  
A Receiver may exercise all powers provided for in the LPA in the same way as if he had been duly appointed under that act and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986.
15. Power to Borrow  
A Receiver may, for any of the purposes authorised by this Schedule 4, raise money by borrowing from the Lender (or from any other person) on the security of all or any of the Property in respect of which he is appointed on such terms as he thinks fit (including, if the Lender consents, terms under which such security ranks in priority to this legal mortgage).
16. Power to Redeem Prior Encumbrances  
A Receiver may redeem any prior Encumbrance and settle and pass the accounts to which the Encumbrance relates. Any accounts so settled and passed shall be conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.
17. Power of Absolute Owner  
A Receiver may do all such acts and things as an absolute owner could do in the ownership and management of the Property or any part of it.

18. Incidental Powers

A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 4, or which he lawfully may or can do as agent for the Borrower.

### **Schedule 5 – Events of Default**

For the purposes of this legal charge, it shall be an event of default if:

1. the Borrower does not pay and discharge any part of the Secured Liabilities in accordance with the terms of the Contract; or
2. the Borrower commits a material breach of any of the covenants and obligations contained in this legal charge and, where such breach is capable of remedy, it is not remedied to the reasonable satisfaction of the Lender within a reasonable period (being not less than 7 days) after notice of breach has been given by the Lender to the Borrower; or
3. the appointment of an administrator, a receiver or liquidator or trustee in bankruptcy in relation to the Borrower or to any of the property or assets or business of the Borrower; or
4. any event occurs which would in the reasonable opinion of the Lender entitle the holder of any other security over the Property of the Borrower to:
  - 4.1. accelerate the payment of sums due to such holder; or
  - 4.2. crystallise any floating charge granted by the Borrower over the Property;in both cases such as to prejudice the Lender's security granted by this charge
5. the Borrower is unable to pay its debts as they fall due or the value of its assets is less than its liabilities (taking into account contingent and prospective liabilities); or
6. the Borrower ceases to carry on all or a substantial part of its business or operations such as will (in the Lender's reasonable opinion) prejudice its security granted by this legal charge.

**Signed as a Deed** by the said **THE MOST** )  
**NOBLE RALPH GEORGE ALGERNON** )  
**TWELFTH DUKE OF NORTHUMBERLAND** )  
in the presence of : )

Witness Signature .....

Witness Name .....

Witness Address .....

Witness Occupation .....

**Signed as a Deed** by the said **THE** )  
**HONOURABLE JAMES WILLIAM** )  
**EUSTACE PERCY** )  
in the presence of : )

Witness Signature .....

Witness Name .....

Witness Address .....

Witness Occupation .....

**Signed as a Deed** by the said )  
**HUGH MURRAY CHARLES COGHILL** )  
in the presence of : )

Witness Signature .....

Witness Name .....

Witness Address .....


Witness Occupation .....

Snugglyga




W K DUNBAR.

EXECUTED as a Deed by  
ADVANCE NORTHUMBERLAND  
(DEVELOPMENTS) LIMITED  
Acting by one director

  
Director

in the presence of:

Witness Signature



Witness Name

ALAN PATTERSON M.A., C.A.

Witness Address

7 MORPETH COURT  
CASTLEBANK  
MORPETH NE61 1YJ

Witness Occupation

COMPANY DIRECTOR / CHARTERED  
ACCOUNTANT