



For further information, please refer to our guidance at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)



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TUESDAY

3     For official use

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

All fields are mandatory unless  
specified or indicated by \*

Charge creation date	d	d	m	m	y	y	y	y
	1	0	0	4	2	0	1	3

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

MR01

Particulars of a charge

<b>4</b>	<b>Description</b>	<p>Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security</p>	<p><b>Continuation page</b> Please use a continuation page if you need to enter more details</p>
Description	75 HARLEY STREET OPENSHAW MANCHESTER		

<b>5</b>	<b>Fixed charge or fixed security</b>	<p>Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box</p> <p><input type="checkbox"/> <b>Yes</b></p> <p><input checked="" type="checkbox"/> <b>No</b></p>	
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<b>6</b>	<b>Floating charge</b>	<p>Is the instrument expressed to contain a floating charge? Please tick the appropriate box</p> <p><input type="checkbox"/> <b>Yes</b> Continue</p> <p><input checked="" type="checkbox"/> <b>No</b> Go to <b>Section 7</b></p> <p>Is the floating charge expressed to cover all the property and undertaking of the company?</p> <p><input type="checkbox"/> <b>Yes</b></p>	
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<b>7</b>	<b>Negative Pledge</b>	<p>Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> <b>Yes</b></p> <p><input type="checkbox"/> <b>No</b></p>	
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MR01

Particulars of a charge

8

**Trustee statement <sup>1</sup>**

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

☐

<sup>1</sup> This statement may be filed after the registration of the charge (use form MR06)

9

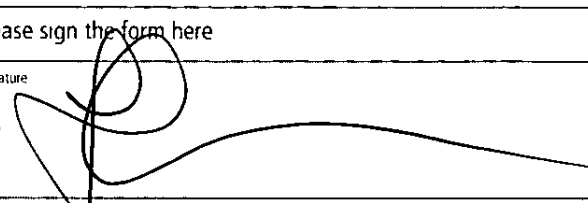
**Signature**

Please sign the form here

Signature

Signature

X

A handwritten signature in black ink, consisting of a large loop followed by a long horizontal stroke.

X

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

# MR01

## Particulars of a charge



### Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name	MISS JANE SURMAN
Company name	IPS LAW LLP
Address	DAVID HOUSE 10 TO 12 CECIL ROAD
Post town	HALE
County/Region	
Postcode	W A 1 5 9 P A
Country	ENGLAND
DX	22052 HALE
Telephone	0161 830 4718



### 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 £13 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.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)



**FILE COPY**

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

Company number: 7893395

Charge code: 0789 3395 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th April 2013 and created by THE HOUSE CROWD LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th April 2013.

24

Given at Companies House, Cardiff on 7th May 2013



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

DATED 10<sup>th</sup> April 2013

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**LEGAL MORTGAGE**

between

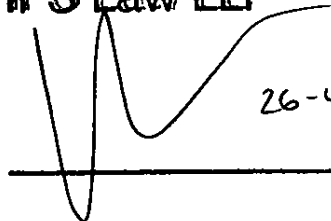
**THE HOUSE CROWD LIMITED**

and

**PETER JOHN EVANS**

**Certified for and on behalf of  
IPS Law LLP**

26-4-2013

  
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THIS DEED is dated

10<sup>th</sup> April

2013

**PARTIES**

- (1) THE HOUSE CROWD LIMITED (Company Regn No 7893395) whose registered office is at 20 Market Street, Altrincham, Cheshire WA14 1PF  
(Borrower)
- (2) PETER JOHN EVANS of 3 Ernest Square, Kingston, Surrey, KT1 3LZ  
(Lender)

**BACKGROUND**

- (A) The Lender has agreed, pursuant to the Facility Agreement, to provide the Borrower with loan facilities on a secured basis
- (B) The Borrower is the owner of the Property
- (C) This deed provides security which the Borrower has agreed to give the Lender for the Advance being part of the loan facilities made or to be made available under the Facility Agreement.

**AGREED TERMS**

**1 DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

The definitions and rules of interpretation in this clause apply in this deed

**Advance:** the sum of £69,750 00 (Sixty nine thousand seven hundred and fifty pounds)

**Business Day:** a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London and deposits are dealt with in the London Interbank Market

**Charged Property:** the Property being subject to any Security Interest created by this deed (and references to the Charged Property shall include references to any part of it)

**Costs:** all reasonable and 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

**Delegate:** any person appointed by the Lender or any Receiver pursuant to clause 13 and any person appointed as attorney of the Lender, Receiver or Delegate

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

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

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

**Facility Agreement:** the loan agreement dated the 14<sup>th</sup> November 2012 made between the Borrower and the Lender for the provision of the loan facilities secured by this deed

**Insurance Policy:** each contract or policy of insurance effected or maintained from time to time in respect of the Property

**LPA 1925:** the Law of Property Act 1925

**Property:** the freehold property owned by the Borrower described in Schedule 1

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

**Secured Liabilities:** the Advance being part of the funds borrowed in connection with the Facility Agreement and any interest accruing on the Advance pursuant to the Facility Agreement subject to the provisions of clause 23

**Security Interest:** any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect

**Security Period:** the period starting on the date of this deed and ending on the date on which the Lender is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding

**Valuation.** any valuation relating to the Property supplied to the Lender by the Borrower (or on its behalf)

**VAT:** value added tax

## 12 Interpretation

In this deed

- (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,

- (b) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders,
- (c) unless the context otherwise requires, words in the singular include the plural and in the plural include the singular,
- (d) a reference to a clause or Schedule is to a clause of, or Schedule to, this deed and references to paragraphs are to paragraphs of the relevant Schedule, unless the context otherwise requires,
- (e) a reference to **continuing** in relation to an Event of Default means an Event of Default which has not been remedied or waived,
- (f) a reference to **this deed** (or any provision of it) or any other document shall be construed as a reference to this deed, 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,
- (g) 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,
- (h) a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly),
- (i) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description,
- (j) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution,
- (k) 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,
- (l) a reference to the **Borrower** or the **Lender** shall include its successors, permitted transferees and permitted assigns,
- (m) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the discretion of the person making it, and
- (n) clause, Schedule and paragraph headings shall not affect the interpretation of this deed

### **1.3 Clawback**

If the Lender considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed

### **1.4 Nature of security over real property**

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

- (a) 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,
- (b) 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,
- (c) 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
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of the Property

### **1.5 Law of Property (Miscellaneous Provisions) Act 1989**

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

### **1.6 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 deed

### **1.7 Perpetuity period**

If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

**1 8 Schedules**

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

**2 COVENANT TO PAY**

The Borrower shall, on being given six months prior written notice by the Lender, pay to the Lender and discharge the Secured Liabilities when they become due.

**3. GRANT OF SECURITY**

**3 1 Legal mortgage and fixed charges**

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

- (a) by way of first legal mortgage, the Property, and
- (b) by way of first fixed charge
  - (i) all its rights in each Insurance Policy, including the proceeds of any claims under each Insurance Policy to the extent not effectively assigned under clause 3 2,
  - (ii) the benefit of all other contracts, guarantees, appointments and warranties relating to the Charged Property and other documents to which the Borrower is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of the Charged Property or otherwise relating to the Charged Property (including, in each case, but without limitation, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them); and
  - (iii) all authorisations (statutory or otherwise) held or required in connection with the Borrower's business carried on at the

Property or the use of any Charged Property, and all rights in connection with them

**3 2 Assignment**

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Lender, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities all its rights in each Insurance Policy, including the proceeds of any claims under each Insurance Policy provided that nothing in this clause 3 2 shall constitute the Lender as mortgagee in possession

**4 PERFECTION OF SECURITY**

**4 1 Registration of legal mortgage at the Land Registry**

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

"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 *10<sup>th</sup> April* 2013 in favour of Peter John Evans referred to in the charges register"

**4 2 Further advances**

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

**4 3 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 provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this deed, the Borrower shall immediately, and at its own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

**5. LIABILITY OF THE BORROWER**

**5.1 Liability not discharged**

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

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is or becomes wholly or partially illegal, void or unenforceable on any ground,
- (b) the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person, or
- (c) any other act or omission, 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 deed against the Borrower

**6. REPRESENTATIONS AND WARRANTIES**

**6.1 Times for making representations and warranties**

The Borrower makes the representations and warranties set out in this clause 6 to the Lender on the date of this deed

**6.2 Ownership of Charged Property**

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

**6.3 No Security Interests**

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

**6.4 No adverse claims**

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

**6.5 No adverse covenants**

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

**6.6 No breach of laws**

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

**6.7 No interference in enjoyment**

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

**6.8 No overriding interests**

Nothing has arisen, has been created or is subsisting which would be an overriding interest in the Property

**6.9 No prohibitions or breaches**

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

**6.10 Environmental compliance**

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

**6.11 Information for Valuations and Certificates of Title**

- (a) All written information supplied by the Borrower or on its behalf for the purpose of each Valuation was true and accurate in all material respects as at its date or as at the date (if any) on which it was stated to be given

- (b) The information referred to in clause 6 11 (a) was, as at its date or as at the date (if any) on which it was stated to be given, complete and the Borrower did not omit to supply any information which, if disclosed, would adversely affect the Valuation.
- (c) In the case of the first Valuation only, nothing has occurred since the date the information referred to in clause 6 11 (a) was supplied and the date of this deed which would adversely affect such Valuation

**6 12 Avoidance of security**

No Security Interest expressed to be created under this deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise

**6 13 Enforceable security**

This deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower and is and will continue to be effective security over all and every part of the Charged Property in accordance with its terms

**7. COVENANTS**

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

**8. POWERS OF THE LENDER**

**8 1 Power to remedy**

- (a) The Lender shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this deed
- (b) The Borrower irrevocably authorises the Lender and its agents to do all such things as are necessary or desirable for that purpose
- (c) Any monies expended by the Lender in remedying a breach by the Borrower of its obligations contained in this deed, shall be reimbursed by the Borrower to the Lender on a full indemnity basis and shall carry interest in accordance with clause 15 1
- (d) In remedying any breach in accordance with this clause 8 1, 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 or desirable including, without limitation, carrying out any repairs, other works or development

**8.2 Exercise of rights**

The rights of the Lender under clause 8.1 are without prejudice to any other rights of the Lender under this deed. The exercise of any rights of the Lender under this deed shall not make the Lender liable to account as a mortgagee in possession.

**8.3 Lender has Receiver's powers**

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

**8.4 Conversion of currency**

- (a) For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 8.4) from their existing currencies of denomination into such other currencies of denomination as the Lender may think fit.
- (b) Any such conversion shall be effected at the Lender's then prevailing spot selling rate of exchange for such other currency against the existing currency.
- (c) Each reference in this clause 8.4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

**8.5 New accounts**

- (a) If the Lender receives, or is deemed to have received, notice of any subsequent Security Interest or other interest, affecting all or part of the Charged Property, the Lender may open a new account for the Borrower in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.



- (b) If the Lender does not open a new account immediately on receipt of the notice, or deemed notice, referred to in clause 8.5 (a), then, unless the Lender gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Lender shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Lender

#### **8.6 Lender's set-off rights**

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

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

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account which may be in debit (but the Lender shall notify the Borrower of the transfer once made)

#### **8.7 Indulgence**

The Lender may, at its discretion, grant time or other indulgence or make any other arrangement, variation or release with any person not being a party to this deed (whether or not 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 deed or to the liability of the Borrower for the Secured Liabilities

### **9. WHEN SECURITY BECOMES ENFORCEABLE**

#### **9.1 Security becomes enforceable on Event of Default**

The security constituted by this deed shall be immediately enforceable on the Lender giving to the Borrower at least six months prior written notice

#### **9.2 Discretion**

After the security constituted by this deed has become enforceable, the Lender may, in its absolute discretion, and on the Lender giving at least six months prior written notice to the Borrower enforce all or any part of that

security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Charged Property

**10. ENFORCEMENT OF SECURITY**

**10.1 Enforcement powers**

- (a) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall, as between the Lender and a purchaser from the Lender, arise on and be exercisable at any time after the execution of this deed, but the Lender shall not exercise such power of sale or other powers until the security constituted by this deed has become enforceable under clause 9.1
- (b) Section 103 of the LPA 1925 (restricting the power of sale) does not apply to the security constituted by this deed

**10.2 Extension of statutory powers of leasing**

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

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

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

**10.3 Prior Security Interests**

At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security Interest having priority to this deed shall have become exercisable, the Lender may

- (a) redeem such or any other prior Security Interest,
- (b) procure the transfer of that Security Interest to itself, and/or

- (c) settle any account of the holder of any prior Security Interest

The settlement of any such account shall be, in the absence of any manifest error, conclusive and binding on the Borrower. All monies paid by the Lender to an encumbrancer in settlement of such an account shall be, as from its payment by the Lender, due from the Borrower to the Lender on current account and shall bear interest at the default rate of interest specified in the Facility Agreement and be secured as part of the Secured Liabilities.

#### **10.4 Protection of third parties**

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

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

#### **10.5 Privileges**

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

#### **10.6 No liability as mortgagee in possession**

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

#### **10.7 Relinquishing possession**

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

#### **10.8 Conclusive discharge to purchasers**

The receipt of the Lender or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of

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

## **11. RECEIVERS**

### **11.1 Appointment**

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

### **11.2 Removal**

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

### **11.3 Remuneration**

The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925 and the remuneration of the Receiver shall be a debt secured by this deed, which shall be due and payable immediately on its being paid by the Lender

### **11.4 Power of appointment additional to statutory powers**

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

### **11.5 Power of appointment exercisable despite prior appointments**

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

### **11.6 Agent of the Borrower**

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

## **12. POWERS OF RECEIVER**

### **12.1 Powers additional to statutory powers**

- (a) Any Receiver appointed by the Lender under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 12.2 to clause 12.20.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.
- (c) Any exercise by a Receiver of any of the powers given by clause 12 may be on behalf of the Borrower, the directors of the Borrower or himself.

### **12.2 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.

### **12.3 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.

### **12.4 Employ personnel and advisers**

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

**12.5 Make and revoke VAT options to tax**

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

**12.6 Charge for remuneration**

A Receiver may charge and receive such 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

**12.7 Realise Charged Property**

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

**12.8 Manage or reconstruct the Borrower's business**

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

**12.9 Dispose of Charged Property**

A Receiver may grant options and licences over all or any part of the Charged Property, sell, assign, lease and accept surrenders of leases of (or concur in selling, assigning, leasing or accepting surrenders of leases of) all or any of the Charged Property in respect of which he is appointed for such consideration and, in such manner (including, without limitation, by public auction or private sale) and generally on such terms and conditions as he thinks fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Property to be disposed of by him

**12.10 Sever fixtures and fittings**

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

**12.11 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 Charged Property

**12 12 Make settlements**

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

**12 13 Bring proceedings**

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

**12 14 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 deed

**12 15 Powers under LPA 1925**

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

**12 16 Borrow**

A Receiver may, for any of the purposes authorised by this clause 12, raise money by borrowing from the Lender (or from any other person) either unsecured or on the security of all or any of the Charged Property in respect of which he is appointed on such terms as he thinks fit (including, if the Lender consents, terms under which such security ranks in priority to this deed)

**12 17 Redeem prior Security Interests**

A Receiver may redeem any prior Security Interest and settle the accounts to which the Security Interest relates Any accounts so settled shall be, in the absence of any manifest error, conclusive and binding on the Borrower, and

the monies so paid shall be deemed to be an expense properly incurred by the Receiver

**12 18 Delegation**

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

**12 19 Absolute beneficial owner**

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

**12 20 Incidental powers**

A Receiver may do all such other acts and things

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

**13 DELEGATION**

**13 1 Delegation**

The Lender or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 17 1)

**13 2 Terms**

Any delegation may be made on such terms and conditions (including the power to sub-delegate) as the Lender or any Receiver may think fit

**13 3 Liability**



Neither the Lender nor any Receiver shall be in any way liable or responsible to the Borrower for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate

**14. APPLICATION OF PROCEEDS**

**14.1 Order of application of proceeds**

All monies received by the Lender, a Receiver or a Delegate pursuant to this deed after the security constituted by this deed has become enforceable (other than sums received pursuant to any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority

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

**14.2 Appropriation**

Neither the Lender, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities

**14.3 Suspense account**

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

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

## **15 COSTS AND INDEMNITY**

### **15.1 Costs**

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

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

together with interest on those Costs, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant Cost arose until full discharge of that Cost (whether before or after judgment, liquidation, winding up or administration of the Borrower) at the rate and in the manner specified in the Facility Agreement

### **15.2 Indemnity**

The Borrower shall indemnify the Lender, each Receiver and each Delegate, and their respective employees and agents on a full indemnity basis in respect of all Costs incurred or suffered by any of them in or as a result of

- (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Charged Property,
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed, or
- (c) any default or delay by the Borrower in performing any of its obligations under this deed

Any past or present employee or agent may enforce the terms of this clause 15.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999

## **16. FURTHER ASSURANCE**

The Borrower shall take whatever action the Lender or any Receiver may reasonably require for

- (a) creating, perfecting or protecting the security intended to be created by this deed,

- (b) facilitating the realisation of any of the Charged Property, or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Lender or any Receiver in respect of any of the Charged Property,

including, without limitation, if the Lender thinks it expedient, the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of, or intended to form part of, the Charged Property (whether to the Lender or to its nominee) and the giving of any notice, order or direction and the making of any registration

## **17 POWER OF ATTORNEY**

### **17.1 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

- (a) the Borrower is required to execute and do under this deed, and/or
- (b) any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on the Lender, any Receiver or any Delegate

### **17.2 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 rights, powers, authorities and discretions referred to in clause 17.1

## **18. RELEASE**

Subject to clause 20.3, on the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release the Charged Property from the security constituted by this deed

## **19. ASSIGNMENT AND TRANSFER**

### **19.1 Assignment by Lender**

- (a) At any time, without the consent of the Borrower, the Lender may assign or transfer the whole or any part of the Lender's rights and/or obligations under this deed to any person
- (b) The Lender may disclose to any actual or proposed assignee or transferee such information about the Borrower, the Charged Property and this deed as the Lender considers appropriate

**19.2 Assignment by Borrower**

The Borrower may not assign any of its rights, or transfer any of its obligations, under this deed or enter into any transaction that would result in any of those rights or obligations passing to another person

**20. FURTHER PROVISIONS**

**20.1 Independent security**

This deed shall be in addition to, and independent of, every other security or guarantee 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 Charged Property shall merge in the security created by this deed.

**20.2 Continuing security**

This deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharges this deed in writing.

**20.3 Discharge conditional**

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

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

- (b) the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if such release, discharge or settlement had not occurred

**20 4 Certificates**

A certificate or determination by the Lender as to any amount for the time being due to it from the Borrower shall be, in the absence of any manifest error, conclusive evidence of the amount due

**20 5 Rights cumulative**

The rights and powers of the Lender conferred by this deed 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

**20 6 Variations and waivers**

Any waiver or variation of any right by the Lender (whether arising under this deed 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

**20 7 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 deed or constitute a suspension or variation of any such right or power.

**20 8 Delay**

No delay or failure to exercise any right or power under this deed shall operate as a waiver

**20 9 Single or partial exercise**

No single or partial exercise of any right under this deed shall prevent any other or further exercise of that or any other right

**20 10 Consolidation**

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

**20 11 Partial invalidity**

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this deed 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 modifications necessary to give effect to the commercial intention of the parties

**20 12 Counterparts**

This deed 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

**21. NOTICES**

**21 1 Service**

Each notice or other communication required to be given under or in connection with this deed shall be

- (a) in writing, delivered personally or sent by pre-paid first-class letter or fax, and
- (b) sent
  - (i) to the Borrower at  
20 Market Street, Altrincham, Cheshire WA14 1PF  
Attention. Mr Frazer Fearnhead
  - (ii) to the Lender at  
3 Ernest Square, Kingston, Surrey, KT1 3LZ

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

**21 2 Receipt by Borrower**

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

- (a) if sent by fax, when received in legible form,
- (b) if given by hand, at the time of actual delivery, and
- (c) if posted, on the second Business Day after the day it was sent by pre-paid first-class post

A notice or other communication given as described in clause 21 2 (a) or clause 21 2(b) 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

**21 3 Receipt by Lender**

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

**22. GOVERNING LAW AND JURISDICTION**

**22 1 Governing law**

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

**22 2 Jurisdiction**

The parties to this deed irrevocably agree that, subject as provided below, the courts of England shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims) Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction

**22 3 Other service**

The Borrower irrevocably consents to any process in any proceedings under clause 22 2 being served on it in accordance with the provisions of this deed relating to service of notices Nothing contained in this deed shall affect the right to serve process in any other manner permitted by law

**23. LIMITATION OF LIABILITY**

- 23.1 Notwithstanding any other provisions contained within this deed the maximum liability of the Borrower to the Lender, its successors and assigns shall be limited to the net asset value of the Property from time to time
- 23.2 Notwithstanding any other provisions contained within the Facility Agreement the maximum liability of the Borrower to the Lender, its successors and assigns in so far as it relates to the Advance shall be limited to the net asset value of the Property from time to time

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**

75 Harley Street, Openshaw M11 1AS registered at H M Land Registry under title number LA116757

## **Schedule 2 – Covenants**

### **Part 1**

#### **1. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS**

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

- (a) create, purport to create or permit to subsist any Security Interest on, or in relation to, any Charged Property other than any Security Interest created by this deed,
- (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property, or
- (c) create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party

#### **2. PRESERVATION OF CHARGED PROPERTY**

The Borrower shall not do, or 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 any of the Charged Property or the effectiveness of the security created by this deed

#### **3. COMPLIANCE WITH LAWS AND REGULATIONS**

The Borrower

3.1 shall not, without the Lender's prior written consent, use or permit the Charged Property to be used in any way contrary to law,

3.2 shall

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

**4. ENFORCEMENT OF RIGHTS**

The Borrower shall use its best endeavours to

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

**5. NOTICE OF MISREPRESENTATIONS AND BREACHES**

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

- (a) any representation or warranty set out in clause 6 which is incorrect or misleading in any material respect when made or deemed to be repeated, and
- (b) any breach of covenant set out in this deed

**6. TITLE DOCUMENTS**

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

- (a) all deeds and documents of title relating to the Charged Property which are in the possession or control of the Borrower (if these are not within the possession and/or control of the Borrower, the Borrower undertakes to obtain possession of all such deeds and documents of title), and
- (b) each Insurance Policy

**7. NOTICES TO BE GIVEN BY THE BORROWER**

The Borrower shall within five days of the execution of this deed give notice to the relevant insurers of the assignment of the Borrower's rights and interest in and under each Insurance Policy (including the proceeds of any claims under that Insurance Policy) pursuant to clause 0 [and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Lender,

The Borrower shall obtain the Lender's prior approval of the form of any notice or acknowledgement to be used under this paragraph 7

**8. BORROWER'S WAIVER OF SET-OFF**

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

## **Part 2 Property covenants**

### **1. REPAIR AND MAINTENANCE**

The Borrower shall keep all premises, and fixtures and fittings on the Property in good and substantial repair and condition and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings which have become worn out or otherwise unfit for use by others of a like nature and equal value

### **2. NO ALTERATIONS**

- 2.1 The Borrower shall not, without the prior written consent of the Lender pull down or remove the whole or any part of any building forming part of the Property nor permit the same to occur
- 2.2 The Borrower shall promptly give notice to the Lender if the premises or fixtures or fittings forming part of the Property are destroyed or damaged

### **3. DEVELOPMENT RESTRICTIONS**

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

- (a) make or, in so far as it is able, permit others to make any application for planning permission or development consent in respect of the Property, or
- (b) carry out or permit or suffer to be carried out on the Property any development as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008 or change or permit or suffer to be changed the use of the Property.

### **4. INSURANCE**

- 4.1 The Borrower shall insure and keep insured the Charged Property against
- (a) loss or damage by fire or terrorist acts,
  - (b) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Borrower, and
  - (c) any other risk, perils and contingencies as the Lender may reasonably require

Any such insurance must be with an insurance company or underwriters and on such terms as are reasonably acceptable to the Lender and must be for not less than the replacement value of the Charged Property (meaning in the case of any premises on the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for demolition and reinstatement)

4.2 The Borrower shall, if requested by the Lender, produce to the Lender the policy, certificate or cover note relating to any such insurance required by paragraph 4.1 of this Part 2 of Schedule 2

4.3 The Borrower shall, if requested by the Lender, procure that a note of the Lender's interest is endorsed upon each Insurance Policy maintained by it or any person on its behalf in accordance with paragraph 4.1 of this Part 2 of Schedule 2 and that the terms of each such Insurance Policy require the insurer not to invalidate the policy as against the Lender by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Lender

**5. INSURANCE PREMIUMS**

The Borrower shall

- (a) promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep that policy in full force and effect, and
- (b) (if the Lender so reasonably requires) give to the Lender copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance Policy

**6. NO INVALIDATION OF INSURANCE**

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

**7. PROCEEDS FROM INSURANCE POLICIES**

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

- (a) be paid immediately to the Lender, and
- (b) if they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower as trustee of the same for the benefit of the Lender

**8. NO RESTRICTIVE OBLIGATIONS**

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

**9. PROPRIETARY RIGHTS**

The Borrower shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Property, without the prior written consent of the Lender not to be unreasonably withheld or delayed

**10. COMPLIANCE WITH AND ENFORCEMENT OF COVENANTS**

The Borrower shall

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

**11. NOTICES OR CLAIMS RELATING TO THE PROPERTY**

**11.1 The Borrower shall**

- (a) 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
- (b) (if the Lender so reasonably requires) as soon as reasonably practicable, 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 thinks fit

**11.2 The Borrower shall give full particulars to the Lender of any claim, notice or other communication served on it in respect of any modification, suspension**

or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property

**12. 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

**13. ENVIRONMENT**

The Borrower shall in respect of the Property

- (a) comply in all material respects with all the requirements of Environmental Law, and
- (b) obtain and comply in all material respects with all Environmental Licences

**14. 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 written notice

**15. VAT OPTION TO TAX**

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

- (a) exercise any VAT option to tax in relation to the Property, or
- (b) revoke any VAT option to tax exercised prior to and disclosed to the Lender in writing prior to the date of this deed

Executed as a Deed by THE  
HOUSE CROWD LIMITED acting  
by its two directors

  
Director

  
Director

Executed as a deed by  
PETER JOHN EVANS in the  
presence of -

.....



DATED 10<sup>th</sup> April 2013

-----  
LEGAL MORTGAGE

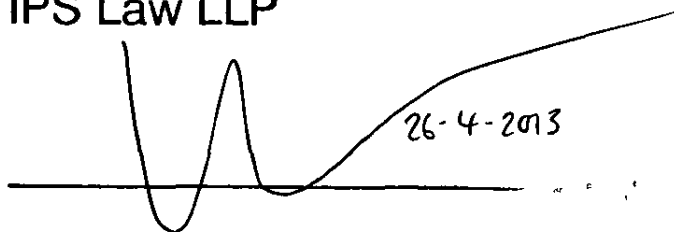
between

THE HOUSE CROWD LIMITED

and

PETER JOHN EVANS

Certified for and on behalf of  
IPS Law LLP

  
26-4-2013

THIS DEED is dated

10<sup>th</sup> April

2013

**PARTIES**

- (1) THE HOUSE CROWD LIMITED (Company Regn No 7893395) whose registered office is at 20 Market Street, Altrincham, Cheshire WA14 1PF (**Borrower**)
- (2) PETER JOHN EVANS of 3 Ernest Square, Kingston, Surrey, KT1 3LZ (**Lender**)

**BACKGROUND**

- (A) The Lender has agreed, pursuant to the Facility Agreement, to provide the Borrower with loan facilities on a secured basis
- (B) The Borrower is the owner of the Property.
- (C) This deed provides security which the Borrower has agreed to give the Lender for the Advance being part of the loan facilities made or to be made available under the Facility Agreement

**AGREED TERMS**

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

The definitions and rules of interpretation in this clause apply in this deed

**Advance:** the sum of £69,750 00 (Sixty nine thousand seven hundred and fifty pounds)

**Business Day:** a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London and deposits are dealt with in the London Interbank Market

**Charged Property.** the Property being subject to any Security Interest created by this deed (and references to the Charged Property shall include references to any part of it)

**Costs:** all reasonable and 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

**Delegate:** any person appointed by the Lender or any Receiver pursuant to clause 13 and any person appointed as attorney of the Lender, Receiver or Delegate

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

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

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

**Facility Agreement:** the loan agreement dated the 14<sup>th</sup> November 2012 made between the Borrower and the Lender for the provision of the loan facilities secured by this deed

**Insurance Policy:** each contract or policy of insurance effected or maintained from time to time in respect of the Property

**LPA 1925:** the Law of Property Act 1925

**Property:** the freehold property owned by the Borrower described in Schedule 1

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

**Secured Liabilities:** the Advance being part of the funds borrowed in connection with the Facility Agreement and any interest accruing on the Advance pursuant to the Facility Agreement subject to the provisions of clause 23

**Security Interest:** any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect

**Security Period:** the period starting on the date of this deed and ending on the date on which the Lender is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding

**Valuation:** any valuation relating to the Property supplied to the Lender by the Borrower (or on its behalf)

**VAT:** value added tax

## 1.2 Interpretation

In this deed

- (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;

- (b) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders,
- (c) unless the context otherwise requires, words in the singular include the plural and in the plural include the singular,
- (d) a reference to a clause or Schedule is to a clause of, or Schedule to, this deed and references to paragraphs are to paragraphs of the relevant Schedule, unless the context otherwise requires,
- (e) a reference to **continuing** in relation to an Event of Default means an Event of Default which has not been remedied or waived,
- (f) a reference to **this deed** (or any provision of it) or any other document shall be construed as a reference to this deed, 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,
- (g) 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,
- (h) a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly),
- (i) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description,
- (j) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notansation, registration and resolution,
- (k) 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,
- (l) a reference to the **Borrower** or the **Lender** shall include its successors, permitted transferees and permitted assigns;
- (m) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the discretion of the person making it, and
- (n) clause, Schedule and paragraph headings shall not affect the interpretation of this deed

**13 Clawback**

If the Lender considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed

**14 Nature of security over real property**

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

- (a) 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,
- (b) 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,
- (c) 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
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of the Property

**15 Law of Property (Miscellaneous Provisions) Act 1989**

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

**16 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 deed

**17 Perpetuity period**

If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009)

**1 8 Schedules**

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

**2. COVENANT TO PAY**

The Borrower shall, on being given six months prior written notice by the Lender, pay to the Lender and discharge the Secured Liabilities when they become due.

**3 GRANT OF SECURITY**

**3 1 Legal mortgage and fixed charges**

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

- (a) by way of first legal mortgage, the Property, and
- (b) by way of first fixed charge
  - (i) all its rights in each Insurance Policy, including the proceeds of any claims under each Insurance Policy to the extent not effectively assigned under clause 3 2,
  - (ii) the benefit of all other contracts, guarantees, appointments and warranties relating to the Charged Property and other documents to which the Borrower is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of the Charged Property or otherwise relating to the Charged Property (including, in each case, but without limitation, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them), and
  - (iii) all authorisations (statutory or otherwise) held or required in connection with the Borrower's business carried on at the

Property or the use of any Charged Property, and all rights in connection with them

**3 2 Assignment**

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Lender, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities all its rights in each Insurance Policy, including the proceeds of any claims under each Insurance Policy provided that nothing in this clause 3 2 shall constitute the Lender as mortgagee in possession

**4 PERFECTION OF SECURITY**

**4 1 Registration of legal mortgage at the Land Registry**

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

"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 *10<sup>th</sup> April* 2013 in favour of Peter John Evans referred to in the charges register "

**4 2 Further advances**

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

**4 3 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 provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this deed, the Borrower shall immediately, and at its own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled

**5. LIABILITY OF THE BORROWER**

**5.1 Liability not discharged**

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

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is or becomes wholly or partially illegal, void or unenforceable on any ground,
- (b) the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person, or
- (c) any other act or omission, 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 deed against the Borrower

**6. REPRESENTATIONS AND WARRANTIES**

**6.1 Times for making representations and warranties**

The Borrower makes the representations and warranties set out in this clause 6 to the Lender on the date of this deed

**6.2 Ownership of Charged Property**

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

**6.3 No Security Interests**

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

**6.4 No adverse claims**



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

**6.5 No adverse covenants**

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

**6.6 No breach of laws**

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

**6.7 No interference in enjoyment**

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

**6.8 No overriding interests**

Nothing has arisen, has been created or is subsisting which would be an overriding interest in the Property

**6.9 No prohibitions or breaches**

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

**6.10 Environmental compliance**

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

**6.11 Information for Valuations and Certificates of Title**

- (a) All written information supplied by the Borrower or on its behalf for the purpose of each Valuation was true and accurate in all material respects as at its date or as at the date (if any) on which it was stated to be given

- (b) The information referred to in clause 6 11 (a) was, as at its date or as at the date (if any) on which it was stated to be given, complete and the Borrower did not omit to supply any information which, if disclosed, would adversely affect the Valuation
- (c) In the case of the first Valuation only, nothing has occurred since the date the information referred to in clause 6 11 (a) was supplied and the date of this deed which would adversely affect such Valuation

**6 12 Avoidance of security**

No Security Interest expressed to be created under this deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise

**6 13 Enforceable security**

This deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower and is and will continue to be effective security over all and every part of the Charged Property in accordance with its terms.

**7. COVENANTS**

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

**8. POWERS OF THE LENDER**

**8 1 Power to remedy**

- (a) The Lender shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this deed
- (b) The Borrower irrevocably authorises the Lender and its agents to do all such things as are necessary or desirable for that purpose
- (c) Any monies expended by the Lender in remedying a breach by the Borrower of its obligations contained in this deed, shall be reimbursed by the Borrower to the Lender on a full indemnity basis and shall carry interest in accordance with clause 15 1
- (d) In remedying any breach in accordance with this clause 8 1, 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 or desirable including, without limitation, carrying out any repairs, other works or development



**8.2 Exercise of rights**

The rights of the Lender under clause 8.1 are without prejudice to any other rights of the Lender under this deed. The exercise of any rights of the Lender under this deed shall not make the Lender liable to account as a mortgagee in possession.

**8.3 Lender has Receiver's powers**

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

**8.4 Conversion of currency**

- (a) For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 8.4) from their existing currencies of denomination into such other currencies of denomination as the Lender may think fit.
- (b) Any such conversion shall be effected at the Lender's then prevailing spot selling rate of exchange for such other currency against the existing currency.
- (c) Each reference in this clause 8.4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

**8.5 New accounts**

- (a) If the Lender receives, or is deemed to have received, notice of any subsequent Security Interest or other interest, affecting all or part of the Charged Property, the Lender may open a new account for the Borrower in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.

- (b) If the Lender does not open a new account immediately on receipt of the notice, or deemed notice, referred to in clause 8.5 (a), then, unless the Lender gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Lender shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Lender

#### **8.6 Lender's set-off rights**

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

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

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account which may be in debit (but the Lender shall notify the Borrower of the transfer once made)

#### **8.7 Indulgence**

The Lender may, at its discretion, grant time or other indulgence or make any other arrangement, variation or release with any person not being a party to this deed (whether or not 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 deed or to the liability of the Borrower for the Secured Liabilities

### **9. WHEN SECURITY BECOMES ENFORCEABLE**

#### **9.1 Security becomes enforceable on Event of Default**

The security constituted by this deed shall be immediately enforceable on the Lender giving to the Borrower at least six months prior written notice

#### **9.2 Discretion**

After the security constituted by this deed has become enforceable, the Lender may, in its absolute discretion, and on the Lender giving at least six months prior written notice to the Borrower enforce all or any part of that

security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Charged Property

**10. ENFORCEMENT OF SECURITY**

**10.1 Enforcement powers**

- (a) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall, as between the Lender and a purchaser from the Lender, arise on and be exercisable at any time after the execution of this deed, but the Lender shall not exercise such power of sale or other powers until the security constituted by this deed has become enforceable under clause 9.1
- (b) Section 103 of the LPA 1925 (restricting the power of sale) does not apply to the security constituted by this deed

**10.2 Extension of statutory powers of leasing**

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

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

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

**10.3 Prior Security Interests**

At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security Interest having priority to this deed shall have become exercisable, the Lender may

- (a) redeem such or any other prior Security Interest,
- (b) procure the transfer of that Security Interest to itself, and/or

- (c) settle any account of the holder of any prior Security Interest

The settlement of any such account shall be, in the absence of any manifest error, conclusive and binding on the Borrower. All monies paid by the Lender to an encumbrancer in settlement of such an account shall be, as from its payment by the Lender, due from the Borrower to the Lender on current account and shall bear interest at the default rate of interest specified in the Facility Agreement and be secured as part of the Secured Liabilities.

#### **10.4 Protection of third parties**

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

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

#### **10.5 Privileges**

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

#### **10.6 No liability as mortgagee in possession**

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

#### **10.7 Relinquishing possession**

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

#### **10.8 Conclusive discharge to purchasers**

The receipt of the Lender or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of

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

## **11. RECEIVERS**

### **11.1 Appointment**

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

### **11.2 Removal**

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

### **11.3 Remuneration**

The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925 and the remuneration of the Receiver shall be a debt secured by this deed, which shall be due and payable immediately on its being paid by the Lender

### **11.4 Power of appointment additional to statutory powers**

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

### **11.5 Power of appointment exercisable despite prior appointments**

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

### **11.6 Agent of the Borrower**



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

**12. POWERS OF RECEIVER**

**12.1 Powers additional to statutory powers**

- (a) Any Receiver appointed by the Lender under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 12.2 to clause 12.20.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.
- (c) Any exercise by a Receiver of any of the powers given by clause 12 may be on behalf of the Borrower, the directors of the Borrower or himself.

**12.2 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.

**12.3 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.

**12.4 Employ personnel and advisers**

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

**12.5 Make and revoke VAT options to tax**

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

**12.6 Charge for remuneration**

A Receiver may charge and receive such 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

**12.7 Realise Charged Property**

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

**12.8 Manage or reconstruct the Borrower's business**

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

**12.9 Dispose of Charged Property**

A Receiver may grant options and licences over all or any part of the Charged Property, sell, assign, lease and accept surrenders of leases of (or concur in selling, assigning, leasing or accepting surrenders of leases of) all or any of the Charged Property in respect of which he is appointed for such consideration and, in such manner (including, without limitation, by public auction or private sale) and generally on such terms and conditions as he thinks fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Property to be disposed of by him

**12.10 Sever fixtures and fittings**

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

**12.11 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 Charged Property

**12 12 Make settlements**

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

**12 13 Bring proceedings**

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

**12 14 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 deed

**12 15 Powers under LPA 1925**

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

**12 16 Borrow**

A Receiver may, for any of the purposes authorised by this clause 12, raise money by borrowing from the Lender (or from any other person) either unsecured or on the security of all or any of the Charged Property in respect of which he is appointed on such terms as he thinks fit (including, if the Lender consents, terms under which such security ranks in priority to this deed)

**12 17 Redeem prior Security Interests**

A Receiver may redeem any prior Security Interest and settle the accounts to which the Security Interest relates Any accounts so settled shall be, in the absence of any manifest error, conclusive and binding on the Borrower, and

the monies so paid shall be deemed to be an expense properly incurred by the Receiver

**12 18 Delegation**

A Receiver may delegate his powers in accordance with this deed

**12 19 Absolute beneficial owner**

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

**12 20 Incidental powers**

A Receiver may do all such other acts and things

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

**13 DELEGATION**

**13 1 Delegation**

The Lender or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 17 1)

**13 2 Terms**

Any delegation may be made on such terms and conditions (including the power to sub-delegate) as the Lender or any Receiver may think fit

**13 3 Liability**

Neither the Lender nor any Receiver shall be in any way liable or responsible to the Borrower for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate

#### **14 APPLICATION OF PROCEEDS**

##### **14.1 Order of application of proceeds**

All monies received by the Lender, a Receiver or a Delegate pursuant to this deed after the security constituted by this deed has become enforceable (other than sums received pursuant to any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority

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

##### **14.2 Appropriation**

Neither the Lender, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities

##### **14.3 Suspense account**

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

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

## **15. COSTS AND INDEMNITY**

### **15.1 Costs**

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

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

together with interest on those Costs, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant Cost arose until full discharge of that Cost (whether before or after judgment, liquidation, winding up or administration of the Borrower) at the rate and in the manner specified in the Facility Agreement

### **15.2 Indemnity**

The Borrower shall indemnify the Lender, each Receiver and each Delegate, and their respective employees and agents on a full indemnity basis in respect of all Costs incurred or suffered by any of them in or as a result of

- (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Charged Property,
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed; or
- (c) any default or delay by the Borrower in performing any of its obligations under this deed.

Any past or present employee or agent may enforce the terms of this clause 15.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999

## **16. FURTHER ASSURANCE**

The Borrower shall take whatever action the Lender or any Receiver may reasonably require for

- (a) creating, perfecting or protecting the security intended to be created by this deed,



- (b) facilitating the realisation of any of the Charged Property, or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Lender or any Receiver in respect of any of the Charged Property,

including, without limitation, if the Lender thinks it expedient, the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of, or intended to form part of, the Charged Property (whether to the Lender or to its nominee) and the giving of any notice, order or direction and the making of any registration

## **17. POWER OF ATTORNEY**

### **17.1 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

- (a) the Borrower is required to execute and do under this deed, and/or
- (b) any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on the Lender, any Receiver or any Delegate

### **17.2 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 rights, powers, authorities and discretions referred to in clause 17.1

## **18. RELEASE**

Subject to clause 20.3, on the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release the Charged Property from the security constituted by this deed

## **19. ASSIGNMENT AND TRANSFER**

### **19.1 Assignment by Lender**



- (a) At any time, without the consent of the Borrower, the Lender may assign or transfer the whole or any part of the Lender's rights and/or obligations under this deed to any person
- (b) The Lender may disclose to any actual or proposed assignee or transferee such information about the Borrower, the Charged Property and this deed as the Lender considers appropriate

**19 2 Assignment by Borrower**

The Borrower may not assign any of its rights, or transfer any of its obligations, under this deed or enter into any transaction that would result in any of those rights or obligations passing to another person

**20 FURTHER PROVISIONS**

**20 1 Independent security**

This deed shall be in addition to, and independent of, every other security or guarantee 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 Charged Property shall merge in the security created by this deed

**20 2 Continuing security**

This deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharges this deed in writing

**20 3 Discharge conditional**

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

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

- (b) the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if such release, discharge or settlement had not occurred

20 4    **Certificates**

A certificate or determination by the Lender as to any amount for the time being due to it from the Borrower shall be, in the absence of any manifest error, conclusive evidence of the amount due

20 5    **Rights cumulative**

The rights and powers of the Lender conferred by this deed 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

20 6    **Variations and waivers**

Any waiver or variation of any right by the Lender (whether arising under this deed 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

20 7    **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 deed or constitute a suspension or variation of any such right or power

20 8    **Delay**

No delay or failure to exercise any right or power under this deed shall operate as a waiver

20 9    **Single or partial exercise**

No single or partial exercise of any right under this deed shall prevent any other or further exercise of that or any other right

20 10   **Consolidation**

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

**20.11 Partial invalidity**

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this deed 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 modifications necessary to give effect to the commercial intention of the parties.

**20.12 Counterparts**

This deed 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.

**21 NOTICES**

**21.1 Service**

Each notice or other communication required to be given under or in connection with this deed shall be

- (a) in writing, delivered personally or sent by pre-paid first-class letter or fax, and
- (b) sent
  - (i) to the Borrower at  
20 Market Street, Altrincham, Cheshire WA14 1PF  
Attention: Mr Frazer Fearnhead
  - (ii) to the Lender at  
3 Ernest Square, Kingston, Surrey, KT1 3LZ

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

**21.2 Receipt by Borrower**

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

- (a) if sent by fax, when received in legible form,
- (b) if given by hand, at the time of actual delivery, and
- (c) if posted, on the second Business Day after the day it was sent by pre-paid first-class post

A notice or other communication given as described in clause 21.2 (a) or clause 21.2(b) 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

### **21.3 Receipt by Lender**

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

## **22. GOVERNING LAW AND JURISDICTION**

### **22.1 Governing law**

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

### **22.2 Jurisdiction**

The parties to this deed irrevocably agree that, subject as provided below, the courts of England shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

### **22.3 Other service**

The Borrower irrevocably consents to any process in any proceedings under clause 22.2 being served on it in accordance with the provisions of this deed relating to service of notices. Nothing contained in this deed shall affect the right to serve process in any other manner permitted by law

**23. LIMITATION OF LIABILITY**

- 23.1 Notwithstanding any other provisions contained within this deed the maximum liability of the Borrower to the Lender, its successors and assigns shall be limited to the net asset value of the Property from time to time
- 23.2 Notwithstanding any other provisions contained within the Facility Agreement the maximum liability of the Borrower to the Lender, its successors and assigns in so far as it relates to the Advance shall be limited to the net asset value of the Property from time to time

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**

75 Harley Street, Openshaw M11 1AS registered at H M Land Registry under title number LA116757

## **Schedule 2 – Covenants**

### **Part 1**

#### **1. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS**

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

- (a) create, purport to create or permit to subsist any Security Interest on, or in relation to, any Charged Property other than any Security Interest created by this deed,
- (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property, or
- (c) create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party

#### **2. PRESERVATION OF CHARGED PROPERTY**

The Borrower shall not do, or 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 any of the Charged Property or the effectiveness of the security created by this deed

#### **3. COMPLIANCE WITH LAWS AND REGULATIONS**

The Borrower

3.1 shall not, without the Lender's prior written consent, use or permit the Charged Property to be used in any way contrary to law;

3.2 shall

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

**4. ENFORCEMENT OF RIGHTS**

The Borrower shall use its best endeavours to

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

**5. NOTICE OF MISREPRESENTATIONS AND BREACHES**

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

- (a) any representation or warranty set out in clause 6 which is incorrect or misleading in any material respect when made or deemed to be repeated, and
- (b) any breach of covenant set out in this deed

**6. TITLE DOCUMENTS**

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

- (a) all deeds and documents of title relating to the Charged Property which are in the possession or control of the Borrower (if these are not within the possession and/or control of the Borrower, the Borrower undertakes to obtain possession of all such deeds and documents of title), and
- (b) each Insurance Policy

**7. NOTICES TO BE GIVEN BY THE BORROWER**

The Borrower shall within five days of the execution of this deed give notice to the relevant insurers of the assignment of the Borrower's rights and interest in and under each Insurance Policy (including the proceeds of any claims under that Insurance Policy) pursuant to clause 0 [and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Lender,

The Borrower shall obtain the Lender's prior approval of the form of any notice or acknowledgement to be used under this paragraph 7

**8. BORROWER'S WAIVER OF SET-OFF**



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

## **Part 2 Property covenants**

### **1. REPAIR AND MAINTENANCE**

The Borrower shall keep all premises, and fixtures and fittings on the Property in good and substantial repair and condition and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings which have become worn out or otherwise unfit for use by others of a like nature and equal value

### **2. NO ALTERATIONS**

2.1 The Borrower shall not, without the prior written consent of the Lender pull down or remove the whole or any part of any building forming part of the Property nor permit the same to occur

2.2 The Borrower shall promptly give notice to the Lender if the premises or fixtures or fittings forming part of the Property are destroyed or damaged

### **3. DEVELOPMENT RESTRICTIONS**

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

- (a) make or, in so far as it is able, permit others to make any application for planning permission or development consent in respect of the Property, or
- (b) carry out or permit or suffer to be carried out on the Property any development as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008 or change or permit or suffer to be changed the use of the Property

### **4. INSURANCE**

4.1 The Borrower shall insure and keep insured the Charged Property against

- (a) loss or damage by fire or terrorist acts,
- (b) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Borrower; and
- (c) any other risk, perils and contingencies as the Lender may reasonably require



Any such insurance must be with an insurance company or underwriters and on such terms as are reasonably acceptable to the Lender and must be for not less than the replacement value of the Charged Property (meaning in the case of any premises on the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for demolition and reinstatement)

- 4.2 The Borrower shall, if requested by the Lender, produce to the Lender the policy, certificate or cover note relating to any such insurance required by paragraph 4.1 of this Part 2 of Schedule 2
- 4.3 The Borrower shall, if requested by the Lender, procure that a note of the Lender's interest is endorsed upon each Insurance Policy maintained by it or any person on its behalf in accordance with paragraph 4.1 of this Part 2 of Schedule 2 and that the terms of each such Insurance Policy require the insurer not to invalidate the policy as against the Lender by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Lender

**5. INSURANCE PREMIUMS**

The Borrower shall

- (a) promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep that policy in full force and effect, and
- (b) (if the Lender so reasonably requires) give to the Lender copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance Policy

**6. NO INVALIDATION OF INSURANCE**

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

**7. PROCEEDS FROM INSURANCE POLICIES**

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

- (a) be paid immediately to the Lender, and
- (b) if they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower as trustee of the same for the benefit of the Lender

**8. NO RESTRICTIVE OBLIGATIONS**

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

**9. PROPRIETARY RIGHTS**

The Borrower shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Property, without the prior written consent of the Lender not to be unreasonably withheld or delayed

**10. COMPLIANCE WITH AND ENFORCEMENT OF COVENANTS**

The Borrower shall

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

**11. NOTICES OR CLAIMS RELATING TO THE PROPERTY**

**11.1 The Borrower shall**

- (a) 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
- (b) (if the Lender so reasonably requires) as soon as reasonably practicable, 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 thinks fit

**11.2 The Borrower shall give full particulars to the Lender of any claim, notice or other communication served on it in respect of any modification, suspension**

or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property

**12. 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

**13. ENVIRONMENT**

The Borrower shall in respect of the Property

- (a) comply in all material respects with all the requirements of Environmental Law, and
- (b) obtain and comply in all material respects with all Environmental Licences

**14. 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 written notice

**15. VAT OPTION TO TAX**

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

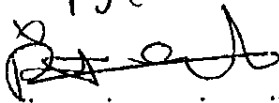
- (a) exercise any VAT option to tax in relation to the Property, or
- (b) revoke any VAT option to tax exercised prior to and disclosed to the Lender in writing prior to the date of this deed

Executed as a Deed by THE  
HOUSE CROWD LIMITED acting  
by its two directors

Director

.....  
Director

Executed as a deed by  
PETER JOHN EVANS in the  
presence of -

PJE  
  
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W. John Evans  
3 Ernest St  
Kington  
KT1 3LZ  
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