



Registration of a Charge

Company name: **MANCHESTER TERMINAL 2 HOTEL LIMITED**

Company number: **08203300**



X61QM3IP

Received for Electronic Filing: **07/03/2017**

Details of Charge

Date of creation: **07/03/2017**

Charge code: **0820 3300 0006**

Persons entitled: **FRONTIER WEALTH MANAGEMENT LIMITED**

Brief description: **(1) THE LEASEHOLD PROPERTY KNOWN AS THE ETROP GRANGE HOTEL, BAILEY LANE, MANCHESTER M90 4EG (REGISTERED AT THE LAND REGISTRY WITH TITLE NUMBER MAN280626). (2) ALL ESTATES OR INTERESTS IN ANY FREEHOLD OR LEASEHOLD PROPERTY. (3) ANY KNOW-HOW, PATENT, TRADE MARK, SERVICE MARK, DESIGN, BUSINESS NAME, TOPOGRAPHICAL OR SIMILAR RIGHT. (4) ANY COPYRIGHT OR OTHER INTELLECTUAL PROPERTY MONOPOLY RIGHT. (5) ANY INTEREST (INCLUDING BY WAY OF LICENCE) IN ANY OF ITEMS (3) OR (4) ABOVE.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **LAURA MCKOY (SOLICITOR), FARRER & CO LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8203300

Charge code: 0820 3300 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th March 2017 and created by MANCHESTER TERMINAL 2 HOTEL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th March 2017 .

Given at Companies House, Cardiff on 8th March 2017

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

EXECUTION VERSION

DATED 7 March 2017

MANCHESTER TERMINAL 2 HOTEL LIMITED (1)

FRONTIER WEALTH MANAGEMENT LIMITED (2)

SECURITY AGREEMENT

FARRER&Co

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THIS DEED is made on

7 March

2017

BETWEEN

- (1) **MANCHESTER TERMINAL 2 HOTEL LIMITED**, a company incorporated in England and Wales with registered office at Unit 2.2 Waulk Mill, 51 Bengal Street, Manchester, M4 6LN and registered number 08203300 (the **Chargor**); and
- (2) **FRONTIER WEALTH MANAGEMENT LIMITED** (Company Number E40740), a limited liability company incorporated in the Turks & Caicos Islands whose registered office is at PO Box 170, 2nd Floor, Yellowman and Sons Building, Off Old Airport Road, Grand Turk, Turks and Caicos Islands (the **Lender**).

WHEREAS

- (A) The Lender has made and agreed to make credit facilities available to the Chargor.
- (B) The Chargor has agreed to provide security to the Lender to secure the payment and discharge of the Secured Liabilities on the terms set out in this Deed.

IT IS AGREED as follows:

1. Interpretation

1.1 Definitions

In this Deed:

Act means the Law of Property Act 1925.

Equipment means, in relation to the Chargor, all its fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment and the benefit of all related authorisations, agreements and warranties.

Facility Agreement means the £800,000 facility agreement dated on or about the date of this Deed between the Chargor and the Lender as the same may be amended, varied, restated or supplemented from time to time.

Insurance Policy means any contract or policy of insurance in respect of the Security Assets taken out by the Chargor or on its behalf or in which it has an interest.

Investments means:

- (a) the Shares;
- (b) any dividend or interest paid or payable in relation to any of the above; and
- (c) any right, money or property accruing or offered at any time in relation to any of the above by way of redemption, substitution, exchange, bonus or preference under option rights or otherwise.

Party means a party to this Deed.

Mortgaged Property means leasehold property known as the Etrop Grange Hotel Bailey Lane Manchester M90 4EG registered at the Land Registry with title number MAN280626.

Receiver means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets.

Regulations means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and **Regulation** means any of them.

Secured Liabilities means all present and future obligations and liabilities of any nature (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) owing or incurred by the Chargor to the Lender under each Financing Document.

Security means a mortgage, charge, pledge, lien, assignment by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of or which has the effect of granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdictions having a similar effect.

Security Assets means all assets of the Chargor which are, or are intended to be, the subject of any Security by virtue of this Deed.

Security Period means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

Shares means means all shares owned by the Chargor or held by any nominee on its behalf in any of its Subsidiaries

Subsidiary means a subsidiary within the meaning of section 1159 of the Companies Act 2006.

1.2 Construction

- 1.2.1 Capitalised terms defined in the Facility Agreement have, unless expressly defined in this Deed, the same meaning in this Deed.
- 1.2.2 The provisions of clause 1.3 (*Interpretation*) of the Facility Agreement apply to this Deed as though they were set out in full in this Deed, except that references to the Facility Agreement will be construed as references to this Deed.
- 1.2.3 Unless a contrary indication appears, any reference in this Deed to:
 - (a) this **Deed** or any other Financing Document is a reference to this Deed or such Financing Document as amended, varied, novated, supplemented and replaced from time to time;
 - (b) **this Security** means any Security created by this Deed;

- (c) the **Chargor**, the **Lender** or a **Receiver** includes any one or more of its assigns, transferees and successors in title (in the case of the Chargor, so far as any are permitted);
- (d) the **Lender** or a **Receiver** includes its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates;
- (e) **assets** includes present and future properties, revenues and rights of every description;
- (f) **indemnify** and **indemnifying** any person against any circumstance includes indemnifying and keeping him harmless from all claims, demands, actions and proceedings from time to time made against him and all loss or damage and all payments, costs, expenses, fines and charges made or incurred by that person as a consequence of or which would not have arisen but for that circumstance;
- (g) **notice** includes any notice, demand, consent or other communication;
- (h) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (i) **writing** or **written** includes faxes but not e-mail;
- (j) a provision of law is a reference to that provision as amended or re-enacted;
- (k) Section and Clause headings are for ease of reference only;
- (l) clauses is to clauses of this Deed and references to sub-clauses and paragraphs are references to sub-clauses and paragraphs of the clause in which they appear;
- (m) a time of day is reference to London time;
- (n) words in the singular include the plural and vice versa and words in one gender include any other gender;
- (o) general words shall not be given a restrictive meaning:
 - (i) if they are introduced by the word **other** or **including** or similar words;
 - (ii) by reason of the fact that they are preceded by words indicating a particular class of act, matter or thing; or
 - (iii) by reason of the fact that they are followed by particular examples intended to be embraced by those general words; and
- (p) a term used in any Financing Document or in any notice given under or in connection with any Financing Document has the same meaning in that Financing Document or notice as in this Deed.

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1.2.4 The terms of the Financing Documents and of any side letters between any Parties in relation to any Financing Document are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.2.5 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.

1.3 Third Party Rights

1.3.1 Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.3.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

1.4 Effect as a Deed

It is intended that this document takes effect as a deed notwithstanding the fact that a Party to it may only execute it under hand.

2. Creation of Security

2.1 General

2.1.1 All the security created under this Deed:

- (a) is created in favour of the Lender;
- (b) is created over present and future assets of the Chargor;
- (c) is security for the payment of all the Secured Liabilities; and
- (d) is made with full title guarantee.

2.2 Land

2.2.1 The Chargor charges:

- (a) by way of a first legal mortgage, the Mortgaged Property; and
- (b) to the extent that they are not the subject of a mortgage under Clause 2.2.1(a)) by way of first fixed charge all estates or interests in any freehold or leasehold property.

2.2.2 A reference in this Clause 2.2 to a mortgage or charge of any freehold or leasehold property includes:

- (a) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
- (b) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

2.3 Shares and Investments

The Chargor charges: by way of a first fixed charge all Investments.

2.4 Equipment

The Chargor charges by way of a first fixed charge Equipment owned by it and its interest in any Equipment in its possession to the extent that it is not charged by way of legal mortgage under Clause 2.2.

2.5 Insurances

The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of any Insurance Policy.

2.6 Other Contracts

The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of any agreement to which it is a party in respect of the whole or any part of the Security Assets except to the extent that it is subject to any fixed security created under any other term of this Deed.

2.7 Intellectual Property

The Chargor charges by way of a first fixed charge, all of its rights in respect of:

- (a) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right;
- (b) any copyright or other intellectual property monopoly right; or
- (c) any interest (including by way of licence) in any of the above,

in each case whether registered or not and including all applications for the same.

2.8 Miscellaneous

The Chargor charges by way of first fixed charge:

- (a) its goodwill;
- (b) the benefit of any authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- (c) the right to recover and receive compensation which may be payable to it in respect of any authorisation referred to in Clause 2.8(b); and
- (d) its uncalled capital.

2.9 Floating Charge

- 2.9.1 The Chargor charges by way of a first floating charge all its present and future business, undertaking and assets not at any time otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under this Clause 2.

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- 2.9.2 The floating charge created by this Clause 2.9 is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3. Conversion of Floating Charge

3.1 Conversion on Notice

- 3.1.1 Except as provided below, the Lender may by notice to the Chargor convert the floating charge created by the Chargor under Clause 2.9 into a fixed charge as regards any of the Chargor's assets specified in that notice, if:

- (a) an Event of Default is outstanding; or
- (b) the Lender reasonably considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

3.2 Limitation

- 3.2.1 The floating charge created by Clause 2.9 may not be converted into a fixed charge solely by reason of:

- (a) the obtaining of a moratorium; or
- (b) anything done with a view to obtaining a moratorium,

under section 1A of the Insolvency Act 1986.

3.3 Automatic Conversion

- 3.3.1 The floating charge created by the Chargor under Clause 2.9 will automatically convert into fixed charges:

- (a) if the Lender receives notice of an intention to appoint an administrator of the Chargor;
- (b) if any steps are taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of the Chargor over all or any part of its assets, or if such person is appointed;
- (c) if the Chargor creates or attempts to create Security over all or any of the Security Assets;
- (d) on the crystallisation of any floating charge over the Security Assets;
- (e) if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process or attempts to do so; and
- (f) in any other circumstances prescribed by law.

4. Representations and Warranties - General

The Chargor makes the representations and warranties set out in this Clause 4 to the Lender.

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4.1 Status

It is a limited liability company, duly incorporated and validly existing under the laws of the jurisdiction of its incorporation.

4.2 Legal Validity

The obligations expressed to be assumed by the Chargor in this Deed are legal, valid, binding and enforceable obligations.

4.3 Nature of Security

This Deed creates the Security it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise.

4.4 Shares and Investments

4.4.1 The Shares and, to the extent applicable, its other Investments, are fully paid.

4.4.2 The Chargor is the sole legal and beneficial owner of its Investments.

4.4.3 The Investments are free from any Security, except those created by this Deed.

4.5 Times for Making Representations and Warranties

4.5.1 The representations and warranties set out in this Deed (including in this Clause) are made on the date of this Deed.

4.5.2 Unless a representation and warranty is expressed to be given at a specific date, each representation and warranty under this Deed is deemed to be repeated by the Chargor on each date during the Security Period.

4.5.3 When a representation and warranty is repeated, it is applied to the circumstances existing at the time of repetition.

5. Restrictions on Dealings

The Chargor may not:

5.1.1 create or permit to subsist any Security on any Security Asset; or

5.1.2 sell, transfer, licence, lease or otherwise dispose of any Security Asset,
except as expressly allowed under the Facility Agreement.

6. Land

6.1 Definitions

In this Clause:

Environmental Approval means any authorisation required by any Environmental Law;

Environmental Claim means any claim by any person in connection with:

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- (a) a breach, or alleged breach, of an Environmental Law;
- (b) any accident, fire, explosion or other event of any type involving an emission or substance which is capable of causing harm to any living organism or the environment; or
- (c) any other environmental contamination;

Environmental Law means any law or regulation concerning:

- (a) the protection of health and safety;
- (b) the environment; or
- (c) any emission or substance which is capable of causing harm to any living organism or the environment;

Fixtures means all fixtures and fittings and fixed plant and machinery on the Mortgaged Property;

Premises means all buildings and erections included in the definition of **Security Assets**; and

6.2 Title

The Chargor represents to the Lender that:

- 6.2.1 Subject to registration of the leasehold title at the Land Registry, it is the legal and beneficial owner of its Mortgaged Property;
- 6.2.2 no breach of any law or regulation is outstanding which affects or might affect materially the value of its Mortgaged Property;
- 6.2.3 there are no covenants, agreements, stipulations, reservations, conditions, interest, rights or other matters whatsoever affecting its Mortgaged Property;
- 6.2.4 nothing has arisen or has been created or is subsisting which would be an overriding interest, or an unregistered interest which overrides first registration or registered dispositions, over its Mortgaged Property;
- 6.2.5 no facilities necessary for the enjoyment and use of its Mortgaged Property are enjoyed by that Mortgaged Property on terms entitling any person to terminate or curtail its use;
- 6.2.6 it has received no notice of any adverse claims by any person in respect of the ownership of its Mortgaged Property or any interest in it, nor has any acknowledgement been given to any person in respect of its Mortgaged Property; and
- 6.2.7 its Mortgaged Property is held by it free from any Security or any tenancies or licences,

save for any matters disclosed to the Lender or its lawyers prior to the date of this Agreement.

6.3 Environmental Matters

The Chargor must:

- 6.3.1 obtain all Environmental Approvals required by it;
- 6.3.2 comply in all material respects with any Environmental Approval or Environmental Law applicable to it;
- 6.3.3 ensure that the Lender does not incur any liability by reason of any breach by it of any Environmental Law or Environmental Approval; and
- 6.3.4 promptly upon becoming aware notify the Lender of:
 - (a) any current or, to its knowledge pending or threatened, Environmental Claim; or
 - (b) any circumstances reasonably likely to result in an Environmental Claim.

6.4 Repair

The Chargor must keep:

- 6.4.1 its Premises in good and substantial repair and adequately and properly painted and decorated; and
- 6.4.2 its Fixtures and all plant, machinery, implements and other effects owned by it and which are in or on its Premises or elsewhere in a good state of repair and in good working order.

6.5 Compliance with Leases

The Chargor must:

- 6.5.1 perform all the terms on its part contained in any lease comprised in the Mortgaged Property; and
- 6.5.2 not knowingly do or allow to be done any act as a result of which any lease comprised in its Mortgaged Property may become liable to forfeiture or otherwise be terminated.

6.6 Compliance with Applicable Laws and Regulations

The Chargor must perform all its obligations under any law or regulation in any way related to or affecting its Mortgaged Property.

6.7 Notices

The Chargor must, within 21 days after the receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority with respect to the Mortgaged Property (or any part of it):

- 6.7.1 deliver a copy to the Lender; and

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- 6.7.2 inform the Lender of the steps taken or proposed to be taken to comply with the relevant requirement.

6.8 Leases

The Chargor may not grant or agree to grant (whether in exercise or independently of any statutory power) any lease or tenancy of the Mortgaged Property or any part of it or accept a surrender of any lease or tenancy or confer upon any person any contractual licence or right to occupy the Mortgaged Property without the previous written consent of the Lender (such consent not to be unreasonably withheld or delayed).

6.9 Application to Land Registrar

The Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at the Land Registry:

- 6.9.1 a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered Charge, not being a Charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the Charge dated [•] in favour of Frontier Wealth Management Limited referred to in the Charges Register (or its conveyancer). (Form P)"; and

- 6.9.2 a notice that the Lender is under an obligation to make further advances on the terms and subject to the conditions of the Financing Documents.

6.10 Deposit of Title Deeds

The Chargor must deposit with the Lender all deeds and documents of title relating to its Mortgaged Property and all local land charges, land charges and the Land Registry search certificates and similar documents received by it or on its behalf.

6.11 Access

The Chargor must permit the Lender and any person nominated by it at all reasonable times and upon reasonable notice to enter any part of its Mortgaged Property and view the state of it.

6.12 Investigation of Title

The Chargor must grant the Lender or its lawyers on reasonable request all facilities reasonably within the power of the Chargor to enable the Lender or its lawyers (at the expense of that Chargor) to:

- 6.12.1 carry out investigations of title to the Mortgaged Property; and
- 6.12.2 make such enquiries in relation to any part of the Mortgaged Property as a prudent mortgagee might carry out.

6.13 Power to Remedy

6.13.1 If the Chargor fails to perform any obligation affecting its Mortgaged Property, the Chargor must allow the Lender or its agents and contractors:

- (a) to enter any part of its Mortgaged Property;
- (b) to comply with or object to any notice served on the Chargor in respect of its Mortgaged Property; and
- (c) to take any action as the Lender may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice.

6.13.2 The Chargor must immediately on request by the Lender pay the reasonable and proper costs and expenses properly incurred of the Lender or its agents and contractors incurred in connection with any action taken by it under this Clause 6.13.

7. When Security Becomes Enforceable

7.1 Event of Default

This Security will become immediately enforceable:

- (a) on the occurrence of an Event of Default; or
- (b) if the Chargor so requests.

7.2 Discretion

After this Security has become enforceable in accordance with Clause 7.1, the Lender may in its absolute discretion enforce all or any part of this Security in any manner it sees fit.

7.3 Power of Sale

The power of sale and other powers conferred by Section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

8. Enforcement of Security

8.1 General

8.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

8.1.2 Section 103 of the Act (restricting the power of sale) and Section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

8.1.3 The statutory powers of leasing conferred on the Lender are extended so as to authorise the Lender to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender may think fit and without the need to comply with any provision of section 99 or 100 of the Act.

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- 8.1.4 To the extent that any Security Asset constitutes Financial Collateral, as defined in the Regulations, the Lender may appropriate it and transfer the title in it to itself, insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18.

8.2 No Liability as Mortgagee in Possession

Neither the Lender nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

8.3 Privileges

Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that Section 103 of the Act does not apply.

8.4 Protection of Third Parties

No person (including a purchaser) dealing with the Lender or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Lender or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Financing Documents; or
- (d) how any money paid to the Lender or a Receiver is to be applied.

8.5 Redemption of Prior Mortgages

- 8.5.1 At any time after this Security has become enforceable in accordance with Clause 7.1, the Lender may:

- (a) redeem any prior Security against any Security Asset;
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.

- 8.5.2 The Chargor must pay to the Lender, within 5 Business Days, the reasonable and proper costs and expenses incurred by the Lender in connection with any such redemption and/or transfer, including the payment of any principal or interest.

9. Receiver

9.1 Appointment of Receiver

- 9.1.1 Except as provided below, the Lender may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:

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- (a) this Security has become enforceable in accordance with Clause 7.1; or
- (b) the Chargor so requests the Lender in writing at any time.

9.1.2 Any appointment under Clause 9.1.1 may be by deed, under seal or in writing under its hand.

9.1.3 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.

9.1.4 The Lender is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.

9.2 Removal

The Lender may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) 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.

9.3 Remuneration

The Lender may fix the remuneration of any Receiver appointed by it and the maximum rate specified in Section 109(6) of the Act will not apply.

9.4 Agent of the Chargor

9.4.1 A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.

9.4.2 The Lender will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

9.5 Relationship with the Lender

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Lender in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

10. Powers of Receiver

10.1 General

10.1.1 A Receiver has all of the rights, powers and discretions set out below in this Clause in addition to those conferred on it by any law, this includes all the rights, powers and discretions:

- (a) in the case of an administrative receiver, conferred on an administrative receiver under the Insolvency Act 1986;

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- (b) of the Lender under this Deed;
- (c) in relation to any Security Asset, which he would have if he were its only and absolute beneficial owner.

10.1.2 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.

10.2 Other Powers

A Receiver may:

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset; and
- (c) use the name of the Chargor for exercising any of the powers or carrying out any of the purposes referred to in this Clause 10.

11. Application of Proceeds

11.1 Any moneys received by the Lender or any Receiver after this Security has become enforceable must be applied in the following order:

- (a) **first**, in or towards the payment of any unpaid costs and expenses of the Lender and any Receiver under this Deed or which are incidental to the Receiver's appointment, together with interest at the rate specified in clause 6.3 of the Facility Agreement (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;
- (b) **second**, in or towards payment of or provision for all costs and expenses incurred by the Lender or any Receiver under or in connection with this Deed and of all remuneration due to any Receiver under or in connection with this Deed;
- (c) **third**, in or towards the discharge of liabilities having priority to the Secured Liabilities;
- (d) **fourth**, in or towards payment of or provision for the Secured Liabilities; and
- (e) **fifth**, in payment of the surplus (if any) to the Chargor or other person entitled to it.

11.2 This Clause is subject to the payment of any claims having priority over this Security. This Clause does not prejudice the right of the Lender to recover any shortfall from the Chargor.

12. Costs and Indemnity

- 12.1 The Chargor shall promptly on demand pay the Lender the amount of all costs and expenses reasonably and properly incurred by it in connection with the negotiation, preparation, printing and execution of this Deed.
- 12.2 If the Chargor requests an amendment, waiver, consent or release of or in relation to this Deed, the Chargor shall within three Business Days of demand, reimburse the Lender for the amount of all cost and expenses (including legal fees) reasonably and properly incurred by it in responding to, evaluating, negotiating or complying with that request or requirement.
- 12.3 The Chargor shall within three Business Days of demand, pay the Lender or any Receiver the amount of any costs and expenses (including legal fees) reasonably and properly incurred by the Lender or any Receiver in connection with the enforcement of or the preservation of any rights under this Deed or the investigation of any possible Event of Default.
- 12.4 The Chargor shall indemnify the Lender and any Receiver and their respective officers and employees against all actions, proceedings, demands, claims, costs, expenses and other liabilities incurred by them in respect of all or any of the following:
- (a) any act or omission by any of them in relation to all or any of the Security Assets;
 - (b) any payment relating to or in respect of all or any of the Security Assets which becomes payable at any time by any of them;
 - (c) any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or performance or enforcement of this Deed;
 - (d) carrying out or purporting to carry out any of the rights, powers, discretions conferred on them by or permitted under this Deed;
 - (e) any breach by the Chargor of any of its covenants or other obligations to the Lender,

except in the case of gross negligence or wilful misconduct on the part of that person.

13. Delegation

13.1 Power of Attorney

The Lender or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

13.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Lender or any Receiver may think fit.

13.3 Liability

Neither the Lender nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

14. Further Assurances

14.1 The Chargor must, at its own expense, take whatever action the Lender or a Receiver (acting reasonably) may require for:

- (a) creating, perfecting or protecting any security intended to be created by this Deed; or
- (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Lender or any Receiver or any of its delegates or sub-delegates in respect of any Security Asset.

14.2 This includes:

- (a) the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Lender or to its nominee; or
- (b) the giving of any notice, order or direction and the making of any registration,

which in any such case, the Lender may think expedient.

15. Power of Attorney

After this Security has become enforceable in accordance with Clause 6.1, the Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any of its delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause.

16. Changes to the Parties

16.1 The Chargor may not assign or transfer any of its rights or obligations under this Deed.

16.2 The Chargor consents to any assignment of the Lender's rights and any transfer of the Lender's obligations under this Deed.

16.3 The Chargor shall, immediately upon requested to do so by the Lender and at the cost of the Chargor, enter into such documents as may be necessary or desirable to effect any assignment or transfer referred to in Clause 16.2.

17. Miscellaneous

17.1 Covenant to Pay

The Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Financing Documents.

17.2 Continuing Security

This Security is a continuing security and shall remain in full force and effect during the Security Period and shall not be discharged by any intermediate discharge or payment on account of the Secured Liabilities or any settlement of account.

17.3 Tacking

For the purposes of section 94(1) of the Act and section 49(3) of the Land Registration Act 2002 the Lender confirms that it shall make any further advances to the Chargor on the terms and subject to the conditions of the Financing Documents.

17.4 New Accounts

17.4.1 If any subsequent charge or other interest affects any Security Asset, the Lender may open a new account with the Chargor.

17.4.2 If the Lender does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other account.

17.4.3 As from that time all payments made to the Lender will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

17.5 Notice of Assignment

This Deed constitutes notice in writing to the Chargor of any charge or assignment of a debt owed by the Chargor to any other member of the Group and contained in any other Security Document.

17.6 Discharge of Security

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities, the Lender shall, at the request and cost of the Chargor:

- (a) release the Security Assets from this Deed; and
- (b) re-assign to the Chargor those Security Assets that have been assigned to the Lender pursuant to this Deed.

18. Governing Law and Enforcement

18.1 Governing Law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

18.2 Jurisdiction

18.2.1 The English courts have exclusive jurisdiction to settle any dispute including a dispute relating to non-contractual obligations arising out of or in connection with this Deed.

EXECUTION VERSION

- 18.2.2 The English courts are the most appropriate and convenient courts to settle any such dispute in connection with this Deed. The Chargor agrees not to argue to the contrary and waives objection to those courts on the grounds of inconvenient forum or otherwise in relation to proceedings in connection with this Deed.
- 18.2.3 This Clause 18.2 is for the benefit of the Lender only. To the extent allowed by law the Lender may take:
- (a) proceedings in any other court; and
 - (b) concurrent proceedings in any number of jurisdictions.
- 18.2.4 References in this Clause 18.2 to a dispute include any dispute as to the existence, validity or termination of this Deed.

This document is executed as a deed and is delivered by the parties or their duly authorised representatives on the date written at the beginning of it.

SIGNATORIES

EXECUTED as a DEED by
MANCHESTER TERMINAL 2 HOTEL LIMITED
acting by a Director in the presence of:

)
)
)

Director

Witness Signature:

Witness Name:

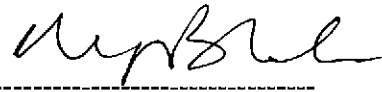
Address:

Occupation:

as a DEED

EXECUTED by MARTIN BLAKE

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_____ 

for and on behalf of
FRONTIER WEALTH MANAGEMENT LIMITED

pursuant to a power of attorney
dated 1 December 2016
in the presence of:



LAURA MCKOY, SOLICITOR

FARRER & CO. LLP

66 Lincoln's Inn Fields

London WC2A 3LH

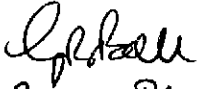
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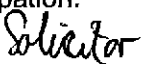
SIGNATORIES

EXECUTED as a DEED by
MANCHESTER TERMINAL 2 HOTEL LIMITED
acting by a Director in the presence of:

)
)
) 

Director

Witness Signature: 
Witness Name: **GRAHAM BALL**

Address: Squire Patton Boggs (UK) LLP
Trinity Court
16 John Dalton Street
Occupation:  Solicitor
Manchester
M60 8HS

EXECUTED by)
)
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for and on behalf of)

FRONTIER WEALTH MANAGEMENT LIMITED