

# MR01

## Particulars of a charge

148819/46



Companies House



Go online to file this information  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

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

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

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

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

This form **must be delivered to the Registrar for registration** within  
**21 days** beginning with the day after the date of creation of the charge.  
If delivered outside of the 21 days it will be rejected unless it is accompanied by a  
court order extending the time for delivery.



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



\*A84E6LLN\*

A12

29/04/2019

#332

COMPANIES HOUSE

MONDAY

### 1 Company details

Company number 0 8 2 1 6 1 4 1

Company name in full PK WINDOWS (WALES) LTD

For official use

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

All fields are mandatory unless  
specified or indicated by \*

### 2 Charge creation date

Charge creation date d 1 d 8 m 0 m 4 y 2 y 0 y 1 y 9

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

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

Name MAGELLAN HOMELOANS LIMITED

Name

Name

Name

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

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

MR01

## Particulars of a charge

4

## Brief description

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

Brief description

FREEHOLD PROPERTY AT 6 CASTLE STREET, CARDIGAN,  
CEREDIGION, SA43 3AB - TITLE NUMBER WA635536

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

Please limit the description to the available space.

5

## Other charge or fixed security

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

☐ Yes

☒ No

6

## Floating charge

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

☐ Yes Continue

☒ No Go to **Section 7**

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

☐ Yes

7

## Negative Pledge

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

☒ Yes

☐ No

8

Trustee statement <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

X

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

MR01

Particulars of a charge



**Presenter information**

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

Contact name **DAVID COLE**

Company name **GEORGE, DAVIES & EVANS**

Address **CASTLE CHAMBERS**

**GROSVENOR HILL**

Post town **CARDIGAN**

County/Region **CEREDIGION**

Postcode **S A 4 3 1 H X**

Country

DX **DX 92653 CARDIGAN**

Telephone **01239 612308**



**Certificate**

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



**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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



**Important information**

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



**How to pay**

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

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



**Where to send**

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

**For companies registered in England and Wales:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**For companies registered in Scotland:**

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

**For companies registered in Northern Ireland:**

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



**Further information**

For further information, please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) 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.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**



AK

**FILE COPY**

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

Company number: 8216141

Charge code: 0821 6141 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th April 2019 and created by PK WINDOWS (WALES) LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th April 2019.

Given at Companies House, Cardiff on 3rd May 2019



**Companies House**



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

MAGELLAN

Corporate Legal Charge

We certify this is a true  
copy of the original document  
25<sup>th</sup> April 2019

GEORGE DAVIES & EVANS  
SOLICITORS  
CASTLE CHAMBERS GROSVENOR HILL  
CARDIGAN SA43 1HX

## LEGAL CHARGE

relating to property at

6 CASTLE STREET ..... PROPERTY  
ADDRESS  
CARDIGAN SA43 3AB

PK WINDOWS (WALES) LIMITED BORROWER

and

MAGELLAN HOMELOANS LIMITED

---

## Contents

1.	Definitions and interpretation .....	1
2.	Covenant to pay .....	1
3.	Security .....	1
4.	The Rental Notice .....	2
5.	The Occupier Notice .....	2
6.	Further assurances .....	2
7.	Further advances .....	2
8.	Negative pledge .....	3
9.	Deposit of title deeds .....	3
10.	Representation and warranties .....	3
11.	Covenants by the Borrower .....	5
12.	Insurance .....	7
13.	Leases .....	8
14.	Licences .....	9
15.	Environmental matters .....	10
16.	Power to remedy .....	10
17.	Enforcement Events .....	11
18.	Acceleration .....	12
19.	Enforcement .....	12
20.	Powers of leasing .....	12
21.	Appointment and powers of Receiver .....	13
22.	Application of proceeds and suspense account .....	14
23.	Indemnities .....	15
24.	Change in circumstances .....	15
25.	Lender and Receiver's liability .....	15
26.	Cumulative and continuing security .....	16
27.	Protection of third parties .....	16
28.	Prior security .....	16
29.	Power of attorney .....	16
30.	Opening a new account .....	17
31.	Costs and expenses .....	17
32.	Payment .....	17
33.	Currency indemnity .....	18
34.	Continuing security and conditional discharge .....	18
35.	Set off .....	18
36.	Notices .....	19
37.	Transfers .....	19
38.	Severability .....	19
39.	Conflict with other documents .....	19
40.	Miscellaneous .....	20
41.	Law and jurisdiction .....	20
42.	Consumer credit legislation .....	21
43.	Unregistered land .....	21
44.	Registered land .....	21
45.	Incorporation of schedules .....	21
46.	The Contracts (Rights of Third Parties) Act 1999 (RTP Act) .....	21
47.	Execution as a deed .....	21
<b>Schedule - Definitions and interpretation .....</b>		<b>22</b>
48.	Definitions .....	22
49.	Interpretation .....	25
Property .....		26
The Prior Charges .....		27

DATE: 18<sup>th</sup> APRIL 2019

**PARTIES:**

- (1) **PE WINDOWS (WALES) LIMITED** (registered in England under number 08216141) whose registered office is at **47 ST MARY STREET CARDIGAN SA45 1HA** (Borrower); and
- (2) **MAGELLAN HOMELOANS** which is a trading name of **MAGELLAN HOMELOANS LIMITED** (registered in England under number 10637508) whose registered office is at Ashcombe House, 5 The Crescent, Leatherhead, Surrey, KT22 8DY (Lender)

**1. Definitions and interpretation**

The definitions and interpretative provisions in Schedule 1 apply to this Charge.

**2. Covenant to pay**

- 2.1 The Borrower covenants with the Lender that the Borrower will pay to the Lender or discharge all Secured Liabilities immediately on demand by the Lender.
- 2.2 If the Borrower fails to pay to the Lender or to discharge any Secured Liability for which it is liable when due the Borrower shall pay to the Lender on demand Default Interest on such Secured Liability until payment or discharge of the same on the following basis:
- 2.2.1 in the case of Expenses from the date on which the relevant Expense was incurred; and
- 2.2.2 in the case of any other Secured Liability from the date on which the Secured Liability became due.

**3. Security**

- 3.1 The Borrower with Full Title Guarantee as continuing security for the payment, performance and discharge of the Secured Liabilities:
- 3.1.1 charges to the Lender by way of legal mortgage the Property and the proceeds of sale lease or other disposition of the Property;
- 3.1.2 charges to the Lender by way of first fixed charge all the plant machinery and fixtures and fittings of the Borrower at the Property, present and future;
- 3.1.3 charges to the Lender by way of first fixed charge all furniture furnishings equipment tools and other chattels of the Borrower at the Property, present and future, not regularly disposed of in the ordinary course of business;
- 3.1.4 charges to the Lender by way of first fixed charge all the goodwill affecting the Property and the Charged Assets, present and future;
- 3.1.5 charges to the Lender by way of fixed charge the entitlement (by virtue of an estate or interest in the Property) to such share or shares in any company connected with the Property when issued and all rights, benefits and advantages at any time arising in respect of such shares;
- 3.1.6 absolutely assigns to the Lender all rent deposits and purchase deposits relating to the Property or any part of it;
- 3.1.7 assigns to the Lender the full benefit of the Licences
- 3.1.8 absolutely assigns to the Lender the Rental Income; and
- 3.1.9 charges to the Lender by way of first fixed charge all Rental Income which remains vested in the Borrower after the assignment specified in clause 3.1.8.
- 3.2 As further security for the payment, repayment and performance of the Secured Liabilities the Borrower with Full Title Guarantee absolutely assigns to the Lender:
- 3.2.1 the benefit to the Borrower of all rights and claims to which the Borrower is now or in the future becomes entitled in relation to the Property;
- 3.2.2 the benefit of any and all policies of insurance and of all rights and claims to which the Borrower is now or may in the future become entitled in connection with them or the proceeds of any claim under such policies;

- 3.2.3 the benefit of the Borrower's rights, now or in the future, to recover any VAT on any supplies made to it from any VAT charged or to be charged on supplies made or to be made by it and any sum so recovered;
- 3.2.4 the benefit of each of the personal covenants given or contained in any Lease and any guarantees given in respect of Rental Income or performance and observance of the tenant's covenants contained in any Lease;
- 3.2.5 the benefit of the guarantees warranties and representations given or made by and any rights or remedies against all or any of the architects quantity surveyors and consulting engineers suppliers and manufacturers and other professionals and persons now or at any time appointed or engaged in respect of the Property including the right to prosecute in the name of the Borrower any proceedings against such persons in respect of such matters and the benefit of all sums recovered in any proceedings against all or any such persons; and
- 3.2.6 all rights of copyright vested in the Borrower from time to time and any plans and specifications prepared in connection with the Property together with any express or implied licence of the Borrower to use any such plans and specifications the copyright of which is not vested in the Borrower,

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

#### **4. The Rental Notice**

The Borrower will when called to do so by the Lender give the Rental Notice to each of the Occupiers and shall use its reasonable endeavours to ensure that:

- 4.1 the Occupiers shall immediately return the Rental Acknowledgement; and  
from service of the Rental Notice Rental Income is paid directly from each Occupier to the Lender.

#### **5. The Occupier Notice**

The Borrower will when called to do so by the Lender give an Occupier Notice to each of the Occupiers and shall use its reasonable endeavours to ensure that each of the Occupiers shall immediately countersign and return an Occupier Notice.

#### **6. Further assurances**

The Borrower shall at any time if so required by the Lender at the expense of the Borrower promptly and duly take whatever action and deliver to the Lender any and all such further instruments and documents as the Lender may in its discretion require for:

- 6.1 creating, perfecting or protecting the security intended to be created by this Charge;
- 6.2 facilitating the realisation of any Charged Asset; or
- 6.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Lender or any Receiver in respect of any of the Charged Assets,

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

#### **7. Further advances**

- 7.1 This Charge is intended to secure further advances.
- 7.2 The Borrower hereby consents to an application being made by the Lender to the Land Registrar in form CH2 in respect of this obligation.
- 7.3 The Lender hereby applies to the Land Registry for a note to be entered on the Borrower's title to the Property to the effect that the Lender is under an obligation to make further advances.
- 7.4 The Lender agrees to make further advances as provided for in but subject to the terms and conditions specified in any Financing Documents but not otherwise.



**8. Negative pledge**

The Borrower shall not:

- 8.1 create or permit to subsist or arise any Encumbrance or any right or option on the Property or any part thereof (other than any Prior Charge) or on any of the other Charged Assets;
- 8.2 sell convey assign or transfer the Charged Assets or any interest in the whole or any part of the Charged Assets or otherwise part with or dispose of any interest in the whole or any part of the Charged Assets or assign or otherwise dispose of any monies payable to the Borrower in relation to the Charged Assets or agree to do any of the foregoing;
- 8.3 part with or share possession or occupation of the Property or any part of it or grant any Lease of the Property or agree to do any of the foregoing;
- 8.4 permit or agree to any variation of the rights attaching to the whole or any part of the Property;
- 8.5 do cause or permit to be done anything which may in the opinion of the Lender in any way depreciate or jeopardise or otherwise prejudice the value to the Lender of the whole or any part of the Charged Assets; or
- 8.6 compound release waive exchange set off grant time or indulgence in respect of or otherwise deal with any of the Rental Income charged to the Lender under this Charge or do anything whereby the recovery of the Rental Income may be impeded delayed or prevented and the Borrower shall enforce its rights in respect of the same.

**9. Deposit of title deeds**

The Borrower shall deposit with the Lender and during the continuance of this security the Lender shall be entitled to hold all deeds and documents of title relating to the Charged Assets including (if required by the Lender) all policies of insurance in relation to the Property.

**10. Representation and warranties**

*In relation to the Property*

- 10.1 The Borrower represents and warrants to the Lender (and such representations and warranties shall be deemed to be repeated on each day until all Secured Liabilities are fully and unconditionally paid or discharged) that:
  - 10.1.1 it is the sole legal and beneficial owner of the Property;
  - 10.1.2 there subsists no breach of any Act, which would or may materially and adversely affect the value of the Property;
  - 10.1.3 there are no covenants agreements stipulations reservations conditions interests rights or other matters whatsoever which materially and adversely affect the Property;
  - 10.1.4 nothing has arisen or has been created or is subsisting which would be an overriding interest over the Property (save for the Leases granted prior to the date of this Charge or granted hereafter with the prior consent of the Lender pursuant to clause 8 of this Charge);
  - 10.1.5 no facility necessary for the enjoyment and use of the Property is enjoyed on terms entitling any person to terminate or curtail its use;
  - 10.1.6 it has not received notice of any adverse claim by any person in respect of the ownership of the Property or any interest in it, nor has any acknowledgement been given to any person in respect of the Property;
  - 10.1.7 it has, at all times, complied in all material respects with all applicable Environmental Laws and is not aware of any subsisting or potential breach of Environmental Laws in relation to the Property;
  - 10.1.8 no waste or noxious offensive or dangerous substance has been used disposed of produced stored or deposited under on or in or emitted from the Property.

*In relation to the Borrower*

- 10.2 The Borrower represents and warrants to the Lender (and such representations and warranties shall be deemed to be repeated on each day until all Secured Liabilities are fully and unconditionally paid or discharged) that:
- 10.2.1 the Borrower has disclosed to the Lender all information that the Borrower knows or reasonably ought to know would influence the Lender in entering into this Charge and/or extending and allowing the Secured Liabilities to remain outstanding and the Borrower hereby warrants that all representations and warranties made by the Borrower to the Lender or its advisers in relation to the Property and in relation to this Charge are true and accurate and that all expressions of opinion are accurate expressions of opinion and all information and opinions are given after a sufficient amount of research and investigation;
  - 10.2.2 the Borrower is duly incorporated and validly existing under the laws of the jurisdiction of its incorporation and is fully qualified and empowered to own its assets and carry out its business;
  - 10.2.3 the Borrower has power to enter into this Charge and to exercise its rights and perform its obligations under this Charge and has taken all necessary corporate, shareholder and other action to authorise the execution delivery and performance of this Charge;
  - 10.2.4 all acts conditions authorisations and other things required to be done fulfilled and performed by the Borrower in order to enable the Borrower to lawfully enter into, exercise its right under and perform and comply with the obligations in this Charge have been done fulfilled and performed and are in full force and effect;
  - 10.2.5 There is no prohibition on assignment or other material restriction relevant to the security created (or purported to be created) by this Charge in any Lease or any other agreement or instrument binding on the Borrower or its assets which would be breached by the creation of this Charge;
  - 10.2.6 the Borrower has not taken any corporate action nor have any steps been taken or legal proceedings been started or threatened against the Borrower in relation to an Insolvency Event;
  - 10.2.7 the Borrower does not require the consent approval or authority of any other person to enter into or perform its obligations under this Charge and its entry in and performance of this Charge will not:
    - 10.2.7.1 constitute a breach of or default under any contractual governmental or public obligation binding on the Borrower;
    - 10.2.7.2 be in conflict with the constitutional documents of the Borrower; or
    - 10.2.7.3 result in the creation or imposition of (or enforcement of) any Encumbrance other than this Charge;
  - 10.2.8 the obligations imposed on the Borrower under this Charge constitute legal, valid and binding obligations, are (and will continue to be) effective security over all and every part of the Charged Assets in accordance with their terms, and are not liable to be avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise;
  - 10.2.9 the entry into and performance of the terms and conditions of this Charge do not and will not contravene or conflict with its memorandum and articles of association, any law, statute, regulation or other instrument binding on it or any of its assets, or any agreement or document to which it is a party or is binding on it or any of its assets;
  - 10.2.10 It is not, nor with the giving of notice, lapse of time or satisfaction of any other condition would be, in breach of or in default under any agreement or document to which it is a party, or by which it or any part of its assets may be bound, which in the opinion of the Lender is likely to have a material adverse effect on the business, assets or financial condition of the Borrower or on its ability to perform fully its obligations under this Charge;

- 10.2.11 no actions arbitration or administrative proceeding on or before any court tribunal or agency is current pending or threatened which might if adversely determined have a material and adverse effect in relation to the Borrower;
- 10.2.12 the Borrower will not be required to make any deduction or withholding from any payment to be made under this Charge; and
- 10.2.13 it is in compliance with all the terms and conditions of this Charge.

## **11. Covenants by the Borrower**

The Borrower covenants with the Lender at all times during the continuance of this security:

### *Repair*

- 11.1 to keep the buildings installations and structures (whether fully built or in course of construction) and all fixtures and fittings and other erections from time to time upon the Property (including the other Charged Assets) in good and substantial repair and condition and, when necessary, rebuilt and renewed and to keep the Property fully protected from damage or deterioration as a result of weather or malicious damage or any other cause and to replace any fixtures and fittings which have become worn out or otherwise unfit for use by others of a like nature and equal value;

### *Outgoings*

- 11.2 to pay when due all rents rent charges (if any) rates taxes charges duties assessments impositions and other outgoings whatsoever charged assessed levied or imposed upon the Property or upon the owner or occupier thereof or payable in respect of the Property;

### *Covenants and stipulations*

- 11.3 to perform and observe all covenants restrictions stipulations provisions regulations and conditions affecting the Property or the use or enjoyment of it;

### *Leasehold property obligations*

- 11.4 if the Property is leasehold:
  - 11.4.1 to perform and observe all covenants and conditions contained in the Lease to be performed and observed by the lessee;
  - 11.4.2 to enforce the due observance and performance of all parties to the Lease;
  - 11.4.3 not to waive release or vary any terms of the Lease or apply for any consent or licence under the Lease or conclude any rent review without, in each case, the consent of the Lender; and
  - 11.4.4 to inform the Lender immediately in writing of any notice received under section 146 of the LPA or any proceedings commenced in relation to forfeiture of the Lease or any superior lease or if the landlord or any superior landlord shall attempt to re-enter under the provisions of the Lease or any superior lease,

and at the request of the Lender (but the expense of the Borrower) to take such steps as the Lender in its absolute discretion may require;

### *Alterations*

- 11.5 not to do in or upon the Property any waste spoil or destruction or, without prior written consent of the Lender (which shall not be unreasonably withheld or delayed), make any alteration or addition to the Property. If the Lender gives consent, the Borrower shall without delay carry out the relevant works to the satisfaction of the Lender in accordance with the provisions and conditions of the consent. The Borrower shall not sever affix or remove any of the fixtures or plant or machinery on the Property except for the purposes of effecting any necessary repair or replacing the same with new and improved models;
- 11.6 not without the prior consent in writing of the Lender to change the use of the Property within the meaning of the Planning Acts;

### *Development*

- 11.7 where at the date of this Charge or at any time during the continuance of this security the Property or any part of it is intended to be developed or is in the course of development, to proceed diligently and to the satisfaction of the Lender and any relevant Authority with such development in all respects in conformity with the planning and byelaw consents relating to the

development and to produce all plans and specifications in relation to such development to the Lender for approval and not to amend such plans and specifications;

*Planning*

- 11.8 to comply in all respects with the Planning Acts and all licences consents permissions or conditions granted or imposed under the Planning Acts;
- 11.9 not to make any application for planning permission and not to enter into or agree to enter into any agreement under section 106 of the Town and Country Planning Act 1990 or section 33 of the Local Government (Miscellaneous Provisions) Act 1982 or section 38 of the Highways Act 1980 or any similar Act both without the prior consent of the Lender which shall not be unreasonably withheld or delayed;
- 11.10 not to implement any planning permission until it has been acknowledged by the Lender to be acceptable to it (such acknowledgement not to be unreasonably withheld or delayed) and the Borrower covenants with the Lender that he has not prior to the date of this Charge carried out or permitted to be carried out any development within the meaning of the Planning Acts upon the Property in respect of which any requisite permission has not been obtained and that all conditions subject to which such permissions have been granted have been duly complied with;
- 11.11 to comply with the requirements of any valid enforcement notice or other notice or order (whether issued under the Planning Acts or any other Act) within such time as may be specified in the notice or order or if no time is specified within such period as may be required by the Lender;
- 11.12 to give full particulars to the Lender immediately on receipt by the Borrower of any notice order direction proposal for a notice or order or other matter relating to or likely to affect the Property or any part of the Property made given or issued by the Borrower or by any Authority including any planning authority. If required by the Lender, the Borrower will produce the notice to the Lender and, without delay, take all necessary steps to comply with the same. The Borrower will join with the Lender (if required by the Lender to do so at the cost of the Borrower) in making any representations or appeals as the Lender may deem fit in respect of the relevant notice;
- 11.13 not, without the prior consent in writing of the Lender, to enter into any negotiations concerning matters contained in the notice with an Authority with regard to, or consent to, the acquisition of the Property or any part of it. If so requested by the Lender, the Borrower will permit the Lender or its servants or agents to conduct such negotiations or give any such consent on the Borrower's behalf and to pay to the Lender in reduction of the Secured Liabilities any compensation received as a result of any such notice;

*Right of entry*

- 11.14 to permit representatives of the Lender with or without workmen or others to enter the Property at all reasonable times and on reasonable prior notice (save in case of emergency then no notice shall be required) to view the state of repair and condition of the Property or to establish whether or not the Borrower is complying fully with its obligations contained in this Charge or to inspect the Property;

*Notices*

- 11.15 immediately on receipt, to produce to the Lender a copy of any notice order direction permission or proposal affecting the Property or its use or value and to comply immediately with the terms thereof or if the Lender so requires or approves and at the Borrower's cost to make such objections and representations against or in respect of such notice order proposal permission or consent as aforesaid as the Lender may require;
- 11.16 if any agreed or unilateral notice is registered on the title to the Property, give to the Lender full particulars of the circumstances relating to such registration and if such notice shall have been registered in order to protect a purported interest the creation of which is contrary to the obligations of the Borrower under this Charge immediately at the Borrower's expense take such steps as the Lender requires to ensure that the notice is withdrawn or cancelled;

*Information*

- 11.17 on request to produce to or provide for the Lender such documents or information relating to the Property or its development as the Lender may require;

*Acts*

- 11.18 to comply with all Acts and requirements of any relevant Authority and approvals licences or consents in relation to the Property or its use or enjoyment;

*Value added tax*

- 11.19 where such an election has not been made prior to the date of this Charge not without the written consent of the Lender make an election pursuant to paragraph 2 of schedule 10 to the Value Added Tax Act 1994 in relation to land and/or buildings comprising the Property or not without prior written consent of the Lender to revoke any election made prior to the date of this Charge; and

*General*

- 11.20 not do or cause or permit to be done or omit to do anything which may in any way depreciate jeopardise or otherwise prejudice the value to the Lender or marketability of the security created by this Charge or of the Property.

**12. Insurance**

- 12.1 **Insured Risks** means risk of loss or damage by fire storm tempest flood lightning earthquake explosion aircraft or other aerial devices articles dropped from such devices riot civil commotion malicious damage impact terrorism bursting and overflowing of water tanks apparatus and pipes and damage by or resulting from vehicular impact subsidence all other risks as the Borrower may be required to insure against under any Lease or other obligation and such other risks as the Lender may require.
- 12.2 The Borrower undertakes:
- 12.2.1 to insure and keep insured the Property and the plant and machinery on the Property including fixtures and improvements against the Insured Risks on a full reinstatement basis including without limitation site clearance shoring up demolition rebuilding and reinstatement professional fees value added tax and not less than three years' loss of rent (or for such longer period as the Lender shall require) and income from the Property;
- 12.2.2 to procure that any Insurances of the Property are in the joint names of the Lender and the Borrower or that the interest of the Lender is endorsed on such policy/ies or otherwise noted as the Lender may require;
- 12.2.3 to maintain Insurances against risks and liabilities to employees residents and third parties and contingencies arising under any Act or at common law (and in such amounts) as the Lender may require;
- 12.2.4 to maintain such Insurances as a prudent company in the same business as the Borrower would effect;
- 12.2.5 to effect the Insurances in an office or with an underwriter approved by the Lender (such approval not to be unreasonably withheld or delayed) either in the joint names of the Borrower and the Lender or if the Lender agrees with the interest of the Lender endorsed on the policy or policies or noted as the Lender may require;
- 12.2.6 to promptly pay all premiums and other expenses incurred in effecting and maintaining the Insurances;
- 12.2.7 to notify the Lender of and comply with all the insurer's requirements and recommendations;
- 12.2.8 to immediately give notice to the Lender of any occurrence which gives rise or might give rise to a claim under a policy and except with the prior written consent of the Lender (such consent not to be unreasonably withheld or delayed) the Borrower will not agree to settlement of such a claim;
- 12.2.9 to provide and maintain such fire fighting equipment on the Property as the insurer or any relevant Authority may require or recommend;
- 12.2.10 not do or permit anything which may make any policy of insurance void or voidable in whole or in part or increase the premium for any policy; and
- 12.2.11 on demand produce to the Lender the policies of insurance or duplicate copies of the policies (as the Lender may specify) together with receipts for the premiums or if

the Lender so requires to deliver the policies of insurance to the Lender for retention.

- 12.3 The Borrower undertakes to procure that each insurance policy in respect of the Property contains:
- 12.3.1 a standard mortgagee clause whereby the insurance will not be vitiated or avoided as against a mortgagee in the event or as a result of any misrepresentation act or neglect or default by the Borrower or any Occupier or failure to make a disclosure on the part of the insured party or any circumstances beyond the control of the insured party;
  - 12.3.2 terms providing that it will not be invalidated or cancelled so far as the Lender is concerned for failure to pay any premium due or for any other reason without the insurer first giving the Lender not fewer than 14 days' written notice;
  - 12.3.3 terms requiring the insurer not to make payment other than to the Lender without the Lender's consent; and
  - 12.3.4 provisions where the insurer agrees to pay the additional costs involved in any rebuilding if the local authority requires reinstatement to comply with building or other regulations or pursuant to any Act.
- 12.4 The Borrower undertakes to pay the Lender any sum which is not recoverable under an insurance policy by reason of:
- 12.4.1 any act default or omission of the Borrower;
  - 12.4.2 a condition of the policy; or
  - 12.4.3 the imposition by the insurer of an obligation to bear part of an insured loss (commonly called an excess or deductible).
- 12.5 All sums received under an insurance policy effected by the Borrower or payable by the Borrower under clause 12.4 shall be paid to the Lender (and, until payment, held on trust for the Lender) and shall be applied (at the discretion of the Lender) either in making good (or recouping expenditure incurred in making good) the Property or (if the Lender in its absolute discretion so elects) in or towards payment of the Secured Liabilities.
- 12.6 If the Borrower fails duly to perform its obligations as to insurance, the Lender may insure and keep insured the Property in whatever sum and against whatever risks it deems appropriate (and effect such other insurances as it sees fit) and take any other action as it may deem appropriate to remedy any failure and recover the premiums and other expenses so incurred from the Borrower on demand and the proceeds of any such insurance may be applied as provided in clause 12.5.

### 13. Leases

- 13.1 The Borrower's powers of leasing and accepting surrenders of leases contained in sections 99 and 100 of the LPA shall not apply.
- 13.2 The Borrower shall manage the Property and any person occupying the whole or any part of the Property under any Lease in accordance with the provisions of good estate management and in any manner that the Lender may in its discretion require and in accordance with the terms of the relevant Leases.
- 13.3 The Borrower shall not without the prior consent in writing of the Lender and in accordance with any conditions that may be attached to such consent:
- 13.3.1 grant or vary a Lease or permit any parting with possession or any sharing arrangement of or in respect of the Property or any part of it;
  - 13.3.2 vary modify or release any obligation on the part of an Occupier;
  - 13.3.3 grant any consent under any Lease including a consent to an assignment or underletting;
  - 13.3.4 accept or agree to accept any surrender of a Lease in whole or in part;
  - 13.3.5 forfeit any Lease;
  - 13.3.6 serve any notice on any Occupier or former tenant or guarantor or any other relevant person under any Lease;

- 13.3.7 agree the amount of any rent on a review or otherwise without the prior consent in writing of the Lender such consent not to be unreasonably withheld. If such rent is determined by a third party the Borrower will procure that such third party is made fully aware of any representations made by the Lender; and
- 13.3.8 agree the terms of any renewal lease or the amount of any interim rent payable under section 24A of the Landlord and Tenant Act 1954. If the terms of such renewal lease are determined by the courts, the Borrower shall make such representations to the court as the Lender shall require.
- 13.4 Without prejudice to clause 13.3, the Borrower shall procure that no person shall be or become entitled without the consent of the Lender to assert any proprietary or other title right or interest which might affect the value of the Property.
- 13.5 If consent is given by the Lender for the grant of any Lease of the Property under clause 13.3 to deliver to the Lender a duly completed counterpart of that Lease within 28 days of execution of the same, for retention by the Lender during the existence of this Charge.
- 13.6 With respect to any Lease of the Property granted to or held by an Occupier and without prejudice to any other provision of this Charge the Borrower hereby covenants to:
  - 13.6.1 observe and perform the covenants and conditions on the part of the lessor contained in that Lease;
  - 13.6.2 enforce against the Occupier the covenants and conditions to be observed by the lessee;
  - 13.6.3 notify the Lender as soon as reasonably practicable after the same has been brought to the Borrower's attention or the Borrower discovers the occurrence of the same details of any material breach of any Lease or of any matter or event under or by reason of which the Lease has or may become subject to determination or forfeiture and if so reasonably required to bring proceedings against the tenant under the Lease.

#### 14. Licences

- 14.1 The Borrower shall at its own expense obtain and maintain all Licences required in connection with any business at any time carried on at the Property.
- 14.2 If any Licences are held in connection with the Property, the following shall apply:
  - 14.2.1 the Borrower shall, at their own expense conform to all orders, regulations and notices made by the licensing authority or any other authority concerning the Property and the said business and apply for and use its best endeavours to obtain whenever necessary proper renewals or regrants of the Licences and shall not surrender, abandon or transfer to any person any of the Licences or remove the same or any of them to any other premises or do or permit any act or thing whereby the renewal of any such Licences may be refused or discontinued or whereby the said business or the goodwill thereof or the letting or sale of the Property maybe ~~prejudicially affected and shall upon demand by or on behalf of the Lender~~ deliver to the Lender or as the Lender shall direct the Licences and give, do and execute all notices, acts, instruments and things necessary or convenient for the transferring the same or any of the or vesting the same in the Lender or its nominee or nominees;
  - 14.2.2 all money received by the Lender as compensation awarded in respect of the refusal of the licensing authority or any other authority concerning the Property to renew the Licences shall be applied first in payment of the costs incurred by the Lender under this Charge, secondly in or towards satisfaction of the other Secured Liabilities and subject thereto shall be held in trust for the Borrower;
  - 14.2.3 the Borrower shall forthwith upon the receipt of any order, direction or notice from the licensing authority or any other authority affecting the Property forward the same or a true copy thereof to the Lender;
  - 14.2.4 the Borrower further covenants with the Lender in the manner following:
    - 14.2.4.1 the Borrower shall pay all charges which may be imposed in respect of the Licences or any of the by virtue of the Licensing Act 2003 or any other statutory enactment and in default the Lender or any receiver may pay all such costs charges and expenses;

- 14.2.4.2 the Borrower shall from time to time at the request of the Lender endeavour to procure the transfer of any of the Licences which may be held by nominees on behalf of or in trust for the Borrower to such other person or persons as the Lender may approve or appoint and shall not permit the transfer of such licences to any person or persons not approved by the Lender;
- 14.2.4.3 the Borrower shall keep the Licences and every renewal or regrant thereof and any new licences granted in respect of the Property insured against forfeiture or refusal to renew in the name of the Lender for a sum and in an office to be approved by the Lender in writing and shall deposit the relevant policy or policies with the Lender and shall duly pay all premiums and sums of money payable for this purpose and produce the receipts therefor to the Lender within seven days of their becoming due and payable and in case of the Borrower making default in that behalf the Lender may pay all premiums and sums of money for effecting or keeping in force the said insurance. If any other policies of insurance cover the Licences and/or their renewal or regrant as aforesaid the Borrower shall hold any sums received under such policies in trust for the Lender and shall pay the same to the Lender on demand;
- 14.2.4.4 if the Licences or any of them shall at any time be vested in a nominee of the Borrower, the Borrower shall procure that all covenants by the Borrower herein contained shall be performed and fulfilled by any such nominee; and
- 14.2.4.5 all sums, costs and expenses paid or incurred by the Lender under the powers conferred by this clause shall be paid by the Borrower to the Lender on demand; and

## 15. Environmental matters

The Borrower covenants with the Lender:

- 15.1 that during the continuance of this security the Borrower shall at all times acquire and maintain (and procure that all Occupiers shall acquire and maintain) all relevant Environmental Licences required by its ownership and the use or occupation of the Property and for the conduct of any business and will comply with all terms and conditions relating to the Environmental Licences and will not do or permit any act or omission whereby any such Environmental Licence would be liable to be prejudiced varied or revoked;
- 15.2 that during the continuance of this security the Borrower shall comply in all respects and shall procure compliance by all Occupiers with all applicable Environmental Laws; and
- 15.3 to notify the Lender promptly upon receipt of any Environmental Claim and immediately on becoming aware of any potential Environmental Claim.

## 16. Power to remedy

- 16.1 If any building operations on the Property are not carried out in a proper and workmanlike manner and with diligent progress to the satisfaction of the Lender or its surveyor the Lender may (but shall not be under any obligation so to do) serve a written notice on the Borrower advising it of such failure and the Borrower shall have such period as the Lender may deem appropriate to remedy the same failing which:
  - 16.1.1 the Borrower shall if required by written notice from the Lender immediately (insofar as the Borrower has not already done so as provided in clause 3) assign to the Lender or as it may direct all the benefit and interest of the Borrower in any building contract subcontract appointment of professional advisers and such other contracts or agreements as the Borrower may have relating to such building operations and will take or procure such action as is necessary or desirable to provide the Lender or the nominee of the Lender as aforesaid with privity of contract with such parties or contractors with whom the Borrower may have privity of contract and take all such other steps as the Lender may require to enable the Lender to procure the completion of the said building operations; and
  - 16.1.2 the Borrower shall permit the Lender at the Borrower's cost to complete or procure the completion of the building operations,



in both cases with power for the Lender and any persons authorised by the Lender to enter upon the Property for any of the above purposes without thereby becoming a mortgagee in possession.

- 16.2 If the Borrower fails to perform or observe any covenant or condition on its part contained in this Charge, it shall be lawful for but not obligatory upon the Lender in order to make good such failure in whole or in part and at the Borrower's cost:
- 16.2.1 to enter upon the Property and effect such repairs and other works thereon as the Lender considers necessary;
  - 16.2.2 to take such steps, give such notices, execute such works and do such things as the Lender considers necessary to comply with any requirements of or any notice order direction permission or proposal, given served or made under the Planning Acts or otherwise affecting or likely to affect the Property or its value;
  - 16.2.3 to insure and keep insured the Charged Assets in such amount and in such manner as the Lender considers necessary; and/or
  - 16.2.4 to admit settle liquidate compound or contest in such manner as the Lender thinks fit any claim or liabilities in relation to the Charged Assets whether or not the Lender is expressly indemnified in this Charge against the same and to make such payments and expend or debit on account such monies as the Lender considers necessary in that behalf but without thereby becoming a mortgagee in possession.
- 16.3 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 Charge.
- 16.4 The Borrower irrevocably authorises the Lender, its agents and any Receiver to do all things that are necessary or desirable for that purpose.
- 16.5 Any monies expended by the Lender, its agents and any Receiver in remedying a breach by the Borrower of its obligations contained in this Charge shall be reimbursed by the Borrower to the Lender (or its agent or Receiver, as the case may be) on a full indemnity basis and shall carry interest in accordance with the provisions of this Charge.

## 17. Enforcement Events

- 17.1 The Secured Liabilities shall immediately become due and payable on demand on the occurrence of any of the following events:
- 17.1.1 if the Borrower fails to pay in full on the due date any sum due from the Borrower pursuant to this Charge and in the manner specified in this Charge;
  - 17.1.2 if the Borrower or any other person liable in respect of the Secured Liabilities fails to duly perform or comply with any other obligation expressed to be assumed by it in any of the Financing Documents or in any Prior Charge;
  - 17.1.3 if, at any time, the Borrower or any other person liable in respect of the Secured Liabilities shall be in breach of any representation warranty or statement given in any Financing Document (or in any notice or other document certificate or statement delivered by the Borrower pursuant to or in connection with the Financing Documents) or if any representation warranty or statement is or proves to have been incorrect or misleading when made or when deemed to have been made;
  - 17.1.4 if the Borrower shall request the Lender to appoint a Receiver over the Property;
  - 17.1.5 if an Insolvency Event shall have occurred;
  - 17.1.6 if the Borrower ceases to carry on the business it carries on at the date hereof or enters into any new or unrelated business;
  - 17.1.7 .....LIMITED ceases to be under the control of .....or .....ceases to own at least .....per cent. of the issued share capital of the Borrower;
  - 17.1.8 if there is any change in the persons exercising effective ownership and/or control of the administration and activities of the Borrower;
  - 17.1.9 any Indebtedness of the Borrower is not paid when due or becomes prematurely payable or capable of being prematurely declared payable, or a Security Interest over any assets or property of the Borrower becomes enforceable or capable of being enforced;

- 17.1.10 if the Borrower is struck off the register of companies or dissolved;
  - 17.1.11 the Borrower fails to comply in any material respect with any Environmental Laws or other law or fails to renew or comply with any licence permit consent or other authorisation required for the conduct of its business or any such licence permit consent or other authorisation is revoked, cancelled or suspended;
  - 17.1.12 if any other event shall occur which has been agreed by the Borrower and the Lender (either in the Financing Documents or otherwise) as an event upon the occurrence of which this or any security for all or any of the Secured Liabilities shall be enforceable;
  - 17.1.13 if any Indebtedness of the Borrower is not paid when due or if any Indebtedness of the Borrower is declared to be or otherwise becomes due and payable before its specified maturity or any creditor or creditors of the Borrower become entitled to declare any Indebtedness of the Borrower due and payable before its specified maturity; or
  - 17.1.14 if circumstances shall have arisen which in the opinion of the Lender give grounds for belief that the Borrower or any other person liable in respect of the Secured Liabilities may not (or may be unable to) perform and comply with its obligations under any Financing Document.
- 17.2 The Borrower undertakes to inform the Lender immediately on the occurrence of an Enforcement Event or on the occurrence of any event which with the lapse of time or giving of notice would or may constitute an Enforcement Event.

#### **18. Acceleration**

On and at any time after the occurrence of an Enforcement Event the Lender in its absolute discretion may by written notice to the Borrower:

- 18.1 declare the Secured Liabilities to be immediately due and payable, together with all accrued *Interest and any other sums then owed by the Borrower under any Financing Document* to which it is a party and, upon that declaration, such sums shall become immediately due and payable without demand or notice of any kind, all of which are hereby expressly waived by the Borrower;
- 18.2 declare the Secured Liabilities to be due and payable on demand of the Lender;
- 18.3 enforce any Security Interest securing the Secured Liabilities;
- 18.4 exercise all or any of its rights created by this Charge or the Financing Documents; and/or
- 18.5 declare that any undrawn portion of a facility provided for in any of the Financing Documents is cancelled with immediate effect and the facility available to be drawn shall be reduced to zero with immediate effect.

#### **19. Enforcement**

- 19.1 Section 103 and section 93 of the LPA shall not apply to this Charge.
- 19.2 The statutory powers of sale and appointing a Receiver under sections 101 and 109(1) of the LPA (as varied and extended under this Charge) shall arise on the execution of this Charge and shall become immediately exercisable without the restrictions contained in the LPA as to the giving of notice or otherwise at any time after the occurrence of an Enforcement Event.
- 19.3 Each of the Lender and the Receiver may exercise their respective statutory power of sale in respect of the whole or any part of the Property.
- 19.4 At any time after the occurrence of an Enforcement Event, the Lender may redeem any Prior Charge or procure the transfer of the Property to itself and may settle or pass the accounts of any holder of a Prior Charge and any accounts so settled and passed will be conclusive and binding on the Borrower.
- 19.5 At any time after the occurrence of an Enforcement Event, the Lender is entitled to appoint an administrator of the Borrower.

#### **20. Powers of leasing**

- 20.1 The statutory powers of leasing agreeing to lease and accepting surrenders exercisable by the Lender are hereby extended so as to authorise the Lender whether in the name of the Lender or in that of the Borrower to grant a lease or leases of the whole or any part or parts of the

Property with such rights relating to other parts of it and containing such covenants on the part of the Borrower and generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Lender (in its absolute discretion) shall think fit.

- 20.2 The Lender may exercise its powers of leasing without taking possession of the Property but shall only be entitled to exercise them after the occurrence of an Enforcement Event.
- 20.3 The Lender is not obliged to comply with any of the provisions of section 99 and section 100 of the LPA.

## **21. Appointment and powers of Receiver**

- 21.1 At any time after the Secured Liabilities shall become immediately due and payable the Lender may under hand of any officer or duly authorised person of the Lender or under seal of the Lender appoint by writing any person or persons (whether an officer of the Lender or not) to be a Receiver of all or any part of the Charged Assets and where more than one Receiver is appointed they may be given power to act either jointly or severally.
- 21.2 The Lender may from time to time determine the remuneration of the Receiver and may remove the Receiver and appoint another in his place.
- 21.3 The Receiver shall (so far as the law permits) be the agent of the Borrower (who shall be personally liable for his acts defaults omissions and remuneration) and shall have and be entitled to exercise all powers conferred by the LPA and the Insolvency Act 1986 in the same way as if the Receiver had been duly appointed under those Acts and in particular shall have power to do the following things:
- 21.3.1 to take possession of collect and get in all or any part of the Charged Assets and for that purpose to take any proceedings as he shall think fit;
- 21.3.2 to commence and/or complete any building operations on the Property and to apply for and obtain any planning permissions building regulation approvals and any other permissions consents or licences in each case as he may in his absolute discretion think fit;
- 21.3.3 for the purpose of exercising any of the rights powers authorities and discretions conferred on him by or pursuant to this Charge or for any other purpose to borrow monies from the Lender or others on the security of the Charged Assets or otherwise on such terms as he may in his absolute discretion think fit;
- 21.3.4 to provide such facilities and services for tenants and generally to manage the Property in such a manner as he shall think fit;
- 21.3.5 if the Property is leasehold to vary the terms of or surrender the Lease and/or to take a new lease of it or of any part of it on such terms as he shall think fit and so that any such new lease shall become charged to the Lender on the terms of this Charge so far as applicable and to execute a formal legal charge over any such new lease in favour of the Lender in such form as the Lender may require;
- 21.3.6 to sell transfer assign let or lease or concur in selling letting or leasing the Property (either by public auction or private contract or otherwise) and/or any other Charged Assets and the grant of any rights over the Property on such terms and conditions and for such consideration including without limitation shares securities or other investments payable at such time or times as he may in his absolute discretion think fit;
- 21.3.7 to vary the terms of terminate grant renew or accept surrenders of Leases in such manner and for such terms with or without a premium or other compensation or consideration including the payment of money to a lessee or tenant on a surrender with such rights relating to other parts of the Property and containing such covenants on the part of the Borrower or otherwise and generally on such terms and conditions as in his absolute discretion he shall think fit;
- 21.3.8 to make allowances and arrangements with any lessee or tenant in respect of any rent and to implement and agree any rent review in respect of the Property and the amount of any interim rent payable pursuant to section 24A of the Landlord and Tenant Act 1954;
- 21.3.9 to make any arrangements or compromise which the Lender or he shall think fit whether in relation to any Lease or to any covenants conditions or restrictions

relating to the Property or any of the other Charged Assets or without limitation otherwise;

- 21.3.10 to make and effect all repairs alterations additions or improvements to the Charged Assets and acquire such additional property as he considers to be expedient, and any property so acquired shall form part of the Charged Assets;
  - 21.3.11 to enter into bonds covenants commitments guarantees indemnities and like matters and to make all payments needed to effect maintain or satisfy the same;
  - 21.3.12 to settle adjust refer to arbitration compromise and arrange any claims accounts disputes questions and demands with or by any person who is or claims to be a creditor of the Borrower or relating in any way to the Property or any of the other Charged Assets;
  - 21.3.13 to effect such insurances of or in connection with the Charged Assets as he shall in his absolute discretion think fit;
  - 21.3.14 to raise or borrow money from the Lender or any other person to rank for payment in priority to the security constituted by this Charge and with or without a mortgage or charge on the Property or any of the other Charged Assets;
  - 21.3.15 to appoint managers professional or other staff officers agents solicitors architects surveyors quantity surveyors estate agents contractors builders and workmen for any of the purposes in this clause 21 upon such terms as to remuneration or otherwise as he may determine; and
  - 21.3.16 to do all such other acts and things as may be considered to be incidental or conducive to any of the matters or powers set out in this Charge and which he lawfully may or can do.
- 21.4 In making any sale or other disposal of any of the Property or the other Charged Assets in the exercise of their respective powers the Receiver or the Lender may accept, as and by way of consideration for such sale or other disposal cash shares loan capital or other obligations, including without limitation consideration fluctuating according to or dependent upon profit or turnover and where the amount of consideration is to be determined by a third party. Any consideration may be receivable in a lump sum or by instalments. On receipt by the Receiver that consideration shall be and become charged with the payment of the Secured Liabilities. Any contract for any such sale or other disposal by the Receiver or by the Lender may contain conditions excluding or restricting the personal liability of the Receiver or the Lender. Plant machinery and other fixtures may be severed and sold in the exercise of their respective powers by the Receiver or the Lender separately from the premises to which they are attached without any consent being obtained from the Borrower.
- 21.5 The Lender shall be entitled (but not obliged) to exercise any or all of the powers and rights which a Receiver would have under this Charge on his appointment (whether or not a Receiver is appointed).

## **22. Application of proceeds and suspense account**

- 22.1 Any monies received by the Receiver or administrator in the exercise of his powers under this Charge and under general law shall be applied by him as follows and unless otherwise determined by the Lender or the Receiver in the following order of priority:
- 22.1.1 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 Charge;
  - 22.1.2 in providing for the matters (other than the remuneration of the Receiver) specified in the first three paragraphs of section 109(8) of the LPA;
  - 22.1.3 in or towards payment of any debts or claims which are by statute payable in preference to the Secured Liabilities but only to the extent to which those debts or claims have that preference;
  - 22.1.4 in or towards the satisfaction of the Secured Liabilities; and
  - 22.1.5 any surplus shall be paid to the Borrower or any other person who may be entitled to it.

- 22.2 Any monies received recovered or realised under the powers conferred under this Charge may, at the discretion of the Lender, be placed in a suspense account and kept there for as long as the Lender thinks fit pending application from time to time of monies in or towards discharge of the Secured Liabilities.
- 22.3 The provision of this clause 22 shall take effect by way of variation and extension to the provisions of section 109 of the LPA, which provisions as so varied and extended shall be deemed incorporated in this Charge.

### **23. Indemnities**

The Borrower covenants with the Lender (and every Receiver attorney manager agent and other person duly appointed by the Lender as provided in this Charge) to keep each of them fully and effectively indemnified from and against all liabilities losses (including consequential losses) costs charges and expenses (including VAT and any other taxes and/or legal fees and other professional fees) caused wholly or partly directly or indirectly by:

- 23.1 any default in payment of the Secured Liabilities;
- 23.2 any breach or non observance or non performance (actual or alleged) of any covenants obligations warranties or undertaking on the part of the Borrower contained in this Charge or the making good of any such actual or alleged breach or non observance or non performance;
- 23.3 the exercise or purported exercise of any rights powers or discretions pursuant to the provisions of this Charge;
- 23.4 the release of any part of the Charged Assets from the security created by this Charge;
- 23.5 delay by the Borrower in performing and obligations under this Charge;
- 23.6 any claims actions notices or orders made or brought under any Act or by any Authority with regard to:
  - 23.6.1 the creation or repossession recording or registration of any Encumbrance over the Property securing the reimbursement to or recovery by any third party of any costs expenses or other sums incurred in consequence of a breach contravention or violation of any Environmental Laws or the release discharge or emission of any harmful or hazardous material and the redemption removal vacation or discharge of any such Encumbrance;
  - 23.6.2 the making of any Environmental Claim against the Lender and/or any Receiver or other such person(s) or the Borrower in respect of the Property and/or any business operations or activities on the Property.

### **24. Change in circumstances**

The Borrower undertakes to notify the Lender immediately on any change in circumstances that the Borrower knows or ought reasonably to know will influence the Lender in allowing the Secured Liabilities to remain outstanding including any changes in circumstances in relation to:

- 24.1 ~~the Borrower including any change in the registered office or the location constitution or shareholding of the Borrower;~~
- 24.2 the Property or any other of the Charged Assets; and
- 24.3 the matters covered by the representations covenants warranties and other provisions of this Charge.

### **25. Lender and Receiver's liability**

- 25.1 Neither the Lender nor any Receiver will, whether as a result of taking possession of any of the Charged Assets or for any other reason (and whether as mortgagee in possession or on any other basis) be liable to the Borrower for any loss or damage arising from any act or default or any exercise or non-exercise of any power, authority or discretion conferred on the Lender or such Receiver by this Charge in relation to the Charged Assets unless such loss or damage is caused by the Lender's or the Receiver's (as the case may be) fraud.
- 25.2 In no circumstances shall the Lender or any Receiver be liable to the Borrower or any other person for any costs charges losses damages liabilities or expenses arising from or connected with any realisation of the Charged Assets or from any act default omission or misconduct of the Lender or the Receiver or the officers employees or agents of either or both of them in relation to the Charged Assets or in connection with this Charge.

**26. Cumulative and continuing security**

- 26.1 This Charge is a continuing security to the Lender regardless of any intermediate payment, settlement or discharge of the whole or any part of the Secured Liabilities.
- 26.2 This Charge is in addition to any other security, present or future, held by the Lender for the Secured Liabilities and will not merge with or prejudice such other security or any contractual or legal rights of the Lender.
- 26.3 The Borrower's liability under this Charge shall not be affected by:
- 26.3.1 any Security Interest, 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;
- 26.3.2 the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- 26.3.3 any other act or omission that, but for this clause 26.3, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

**27. Protection of third parties**

Any purchaser or any other person dealing with the Lender or any Receiver shall not be concerned to enquire whether the Secured Liabilities have become payable or whether any power which it or he is purporting to exercise has become exercisable or whether any money is due under this Charge or as to the application of any money paid raised or borrowed or as to the propriety or regularity of any sale by or other dealing with the Lender or such Receiver. All the protection to purchasers contained in sections 104 and 107 of the LPA shall apply to any person purchasing from or dealing with the Lender or any Receiver.

**28. Prior security**

- 28.1 At any time after the security constituted by this Charge has become enforceable, or after any powers conferred by any document containing a Security Interest having priority to this Charge shall have become exercisable, the Lender may:
- 28.1.1 redeem that or any other prior Security Interest;
- 28.1.2 procure the transfer of that Security Interest to it; and
- 28.1.3 settle and pass any account of the holder of any prior Security Interest.
- 28.2 The settlement and passing of any such account passed shall, in the absence of any manifest error, be conclusive and binding on the Borrower. All monies paid by the Lender to an encumbrancer in settlement of any of those accounts shall, as from its payment by the Lender, be due from the Borrower to the Lender on current account and shall bear interest at the default rate of interest specified in the Mortgage Conditions and be secured as part of the Secured Liabilities.

**29. Power of attorney**

- 29.1 The Borrower, by way of security, hereby irrevocably appoints the Lender and any Receiver jointly and also severally the attorney and attorneys of the Borrower, with full power of delegation, for and in the name of and on behalf of the Borrower (and as the act and deed of the Borrower or otherwise) to sign seal deliver and execute as a deed and otherwise perfect any deed assurance agreement instrument or act or sign any notice (including the Rental Notice) or to do any other act or thing which may be required or may be deemed proper for any of the purposes referred to in or otherwise in connection with this Charge.
- 29.2 The Borrower ratifies and confirms (and agrees to ratify and confirm):
- 29.2.1 all transactions entered into by the Lender and/or any Receiver and/or any delegate of the Lender in the exercise or purported exercise of the respective powers of the Lender or the Receiver under this Charge; and
- 29.2.2 all things done by the Lender and/or any Receiver and/or any delegate of the Lender by virtue of any power of attorney granted under this Charge.
- 29.3 Any power of attorney granted under this Charge (as the Borrower acknowledges) is irrevocable and for value as part of the security constituted by this Charge.

- 29.4 The Borrower appoints the Lender as its authorised agent to make any filings registrations or renewals with the appropriate registrars or authorities as shall be necessary to give effect to any provisions of this Charge.

**30. Opening a new account**

The Lender shall on receiving notice that the Borrower has encumbered or disposed of the Charged Assets or any part of it or any interest in it be entitled to close any account or accounts of the Borrower and to open a new account or accounts with the Borrower and (without prejudice to any right of the Lender to combine accounts) no money paid into or carried to the credit of any such new account shall be appropriated towards or have the effect of discharging any part of the amount due to the Lender on any such closed account. If the Lender does not open a new account or accounts immediately on receipt of such notice it shall nevertheless be treated as if it had done so at the time when it received such notice and as from that time all payments made by the Borrower to the Lender shall be credited or be treated as having been credited to such new account or accounts and shall not operate to reduce the amount due from the Borrower to the Lender when it received such notice.

**31. Costs and expenses**

- 31.1 The Borrower shall be liable to pay to the Lender, on demand and on a full indemnity basis:

- 31.1.1 the amount of all costs and expenses (including legal and out of pocket expenses and any value added tax on such costs and expenses) which the Lender and/or any Receiver incurs in connection with:
- 31.1.1.1 the negotiation, preparation and execution of this Charge;
  - 31.1.1.2 any registration of this Charge;
  - 31.1.1.3 any actual or proposed amendment of or waiver or consent under or in connection with this Charge;
  - 31.1.1.4 any discharge or release of this Charge;
  - 31.1.1.5 the preservation or exercise (or attempted preservation or exercise) of any rights under or in connection with, and the enforcement (or attempted enforcement) of, this Charge;
  - 31.1.1.6 remedying or attempting to remedy any default by the Borrower including a default in the payment of insurance premiums;
  - 31.1.1.7 all professional fees including (but not limited to) surveyors fees soil survey fees environmental audits or similar expenditure;
  - 31.1.1.8 obtaining payment of the Secured Liabilities;
  - 31.1.1.9 dealing with or obtaining advice about any other matter or question arising out of or in connection with this Charge and any related document;
  - 31.1.1.10 any variation of or amendment or supplement to, any of the terms of this Charge; and
  - 31.1.1.11 any consent or waiver required from the Lender in relation to this Charge.
- 31.1.2 all other monies paid or payable by the Lender or any Receiver in perfecting or otherwise in connection with this Charge or in respect of the Property or any other of the Charged Assets including (without limitation) all monies expended by the Lender or any Receiver under the terms of this Charge.

- 31.2 All costs expenses and monies for which the Borrower is liable in accordance with clause 31.1 shall be recoverable from the Borrower as a debt and shall form part of the Secured Liabilities.

**32. Payment**

- 32.1 All payments to be made by the Borrower under this Charge will be paid in immediately available, freely transferable cleared funds to an account nominated from time to time by the Lender for this purpose.
- 32.2 The Borrower will make all payments under this Charge without set-off or counterclaim and without withholding or deducting, except where required by law, any Taxes. If the Borrower is required by law to make any such withholdings or deductions, the Borrower will pay to the

Lender additional amounts to ensure that the Lender receives a net amount equal to the full amount it would have received if no withholding or deduction had been required.

- 32.3 If the Borrower pays any additional amount to the Lender under clause 32.2 and the Lender effectively obtains a refund of tax or credit against tax by reason of such payment, the Lender will repay to the Borrower an amount equivalent to the tax credit.

**33. Currency indemnity**

- 33.1 If any payment in connection with this Charge is made or falls to be satisfied in a currency other than the currency in which the relevant payment is expressed to be payable, to the extent that the payment received by the Lender, at the rate of exchange, falls short of the amount expressed to be payable in connection with this Charge, the Borrower will indemnify the Lender against the amount of that shortfall.
- 33.2 For the purposes of clause 33.1 **rate of exchange** means the rate at which the Lender on or about the date of the relevant payment is able to purchase the currency in which the payment is expressed to be payable and will take into account any premium and other costs of exchange.

**34. Continuing security and conditional discharge**

- 34.1 This security shall not be discharged or affected by:
- 34.1.1 any time indulgence waiver or consent at any time given to the Borrower or any other person;
  - 34.1.2 any amendment to any of the terms or conditions of or variation in the amount of the Secured Liabilities or the Financing Documents (however fundamental);
  - 34.1.3 the making or absence of any demand on the Borrower or any other person for payment;
  - 34.1.4 the enforcement or absence of enforcement of any of the Secured Liabilities or any other security guarantee or indemnity;
  - 34.1.5 the release of any Security Interest, guarantee or indemnity provided for in respect of any of the Secured Liabilities or any other Security Interest, guarantee or indemnity;
  - 34.1.6 the illegality invalidity or unenforceability of or any defect in the Secured Liabilities, Financing Documents or any of the obligations of any person liable in respect of the Secured Liabilities; or
  - 34.1.7 any other act, omission, matter or thing whatsoever other than the discharge of this security as provided in this Charge.
- 34.2 This Charge shall be a continuing security to the Lender notwithstanding any settlement of account or other matter or thing whatsoever and shall be in addition to and shall not prejudice or affect or be prejudiced or affected by any security relating to the Property or the other Charged Assets or to any other property or any other security which the Lender may now or at any time in the future hold in respect of the Secured Liabilities or any of them and shall continue in full force and effect as a continuing security until discharged subject to the remaining provisions of this clause 32.
- 34.3 The Lender may at its discretion retain the security created by this Charge for the relevant period notwithstanding any release settlement discharge or arrangement given or made by the Lender.
- 34.4 The **relevant period** for the purposes of this clause 32 means the relevant statutory period, extended by one month, within which any payment or security made to or held by the Lender may be avoided or invalidated under any Act relating to insolvency or analogous circumstances.
- 34.5 If at any time during the relevant period an Insolvency Event occurs in relation to the Borrower, the Lender may retain the whole or any part of the security created by this Charge for such further period as the Lender may in its discretion think fit and such security shall be deemed to have been held and remain held by the Lender as security for the payment to the Lender of the Secured Liabilities.

**35. Set off**

- 35.1 The Lender may, without notice to the Borrower, apply any credit balance (whether or not then due and in whatever currency) which is at any time held by any office or branch of the Lender for the account of the Borrower in or towards satisfaction of the Secured Liabilities.



- 35.2 For the purposes of exercising any rights either under this clause 35, or any rights under the general law, the Lender may convert or translate all or any part of such a credit balance into another currency applying a rate which in the Lender's opinion fairly reflects prevailing rates of exchange.
- 35.3 The Lender is not obliged to exercise any of its rights under this clause 35, which shall be without prejudice and in addition to any rights under the general law.
- 35.4 In this clause 35 **rights under the general law** means any right of set-off combination or consolidation of accounts lien or similar right which the Lender has under any applicable law.

**36. Notices**

- 36.1 All communications to be made under this Charge must be made in writing.
- 36.2 Any notices proceedings or other documents to be served on the Borrower pursuant to this Charge must be addressed to the Borrower, marked for the attention of..... or if dispatched by facsimile, to facsimile number....., or at such other address or facsimile number in England as the Borrower may notify the Lender in writing.
- 36.3 Any notices proceedings or other documents to be served on the Lender pursuant to this Charge must be addressed to the Lender, marked for the attention of the Customer Services Department at Magellan Homeloans, Ashcombe House, 5 The Crescent, Leatherhead, Surrey, KT22 8DY, or if dispatched by facsimile, to facsimile number 0330 335 5888, or at such other address or facsimile number in England as the Lender may notify the Borrower in writing.
- 36.4 Any notice to the Borrower is deemed to have been given:
- 36.4.1 if posted, on the second Business Day following the day on which it has been dispatched by first class mail, postage prepaid, and will be effective notwithstanding that it may be misdelivered or returned undelivered;
- 36.4.2 if sent by facsimile transmission and received on the day of transmission, during business hours, and if not so received, on the next Business Day during business hours; or
- 36.4.3 if delivered by hand during business hours, at the time of actual delivery or if not, on the next Business Day.
- 36.5 In proving service pursuant to clause 36.4, it will be sufficient to prove that personal delivery was made, or that the envelope containing the communication was correctly addressed and posted, or that a facsimile transmission report or other appropriate evidence was obtained that the facsimile had been transmitted to the addressee.
- 36.6 Any notices demands or other communication to be given by the Lender may be made by any person or firm acting as solicitor or solicitors for the Lender.
- 36.7 Any communication to the Lender is deemed to have been given only on actual receipt by the Lender.

**37. Transfers**

- 37.1 This Charge is freely assignable or transferable by the Lender.
- 37.2 The Borrower may not assign or transfer any of its obligations under this Charge or enter into any transaction which would result in any of those obligations passing to another person.
- 37.3 The Lender may disclose to any person related to the Lender and/or any person to whom it is proposing to transfer or assign or has transferred or assigned this Charge any information about the Borrower and any person connected or associated with it.

**38. Severability**

If at any time any one or more of the provisions of this Charge is or becomes illegal invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality validity and enforceability of the remaining provisions of this Charge nor the legality validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected or impaired as a result.

**39. Conflict with other documents**

In the event of any conflict, contradiction or inconsistency between this Charge and the terms of any Financing Document, or this Charge imposing more onerous terms than a Financing Document, then the

terms of the Financing Document shall prevail and, in such circumstances, compliance with the provisions of the Financing Document shall be deemed to be compliance in full with the conflicting, contradictory, inconsistent and/or more onerous terms of this Charge.

**40. Miscellaneous**

- 40.1 Time is of the essence of this Charge both as regards the dates and periods mentioned and as regards any dates or periods which may be substituted for them in accordance with this Charge or by agreement in writing by the parties.
- 40.2 Neither party will be affected by any delay or failure in exercising or any partial exercising of its rights under this Charge unless he has signed an express written waiver or release.
- 40.3 Any certificate or determination of the Lender as to the amount of the Secured Liabilities (or without limitation) any matter provided for in this Charge shall, in the absence of manifest error, be conclusive and binding on the Borrower.
- 40.4 The Lender's rights under this Charge are cumulative and not exclusive of any rights provided by law and may be exercised from time to time and as often as the Lender deems expedient. No exercise (or partial exercise) by a party of any one right or remedy under this Charge, or at law or in equity will, except if the contrary is expressly stated, hinder or prevent the exercise by it of any such other right or remedy.
- 40.5 Any waiver by the Lender of any terms of this Charge, or any consent or approval given by the Lender under it, shall only be effective if given in writing and then only for the purpose and upon the terms and conditions, if any, on which it is given.
- 40.6 For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of any Facility Agreement and of any side letters between any parties in relation to such Facility Agreement are incorporated into this Charge.
- 40.7 If any provision (or part of a provision) of this Charge is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this Charge.
- 40.8 This agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one agreement.

**41. Law and jurisdiction**

- 41.1 This Charge is governed by and shall be construed in accordance with English law.
- 41.2 The Borrower irrevocably agrees for the exclusive benefit of the Lender that the courts of England shall have jurisdiction to hear and determine any suit action or proceeding and to settle any dispute which may arise out of or in connection with this Charge and for such purposes hereby irrevocably submit to the jurisdiction of such courts.
- 41.3 Nothing contained in this clause 41 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 any such proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not (unless precluded by applicable law).
- 41.4 The Borrower irrevocably waives any objection which it may have now or in the future to the courts of England being nominated for the purpose of this clause 41 on the ground of venue or otherwise and agrees not to claim that such courts are not a convenient or appropriate forum.
- 41.5 Where the Borrower is resident in a jurisdiction outside of England and Wales the Borrower irrevocably appoints  
.....of.....  
at .....FAX NO as its agent to receive on its behalf in England or Wales service of any proceedings under clauses 41.2 and 41.3 above. Such service shall be deemed to be completed on delivery to such agent (whether or not it is forwarded to and received by the Borrower) and shall be valid until such time as the Lender has received prior written notice from the Borrower that such agent has ceased to act as agent. If for any reason such agent ceases to be able to act as agent or no longer has an address in England or Wales, the Borrower shall forthwith appoint a substitute acceptable to the Lender and deliver to the Lender the new agent's name, address and fax number within England and Wales, failing which the Lender may

select a substitute agent to receive on the Borrower's behalf service of any proceedings arising out of or in connection with this charge.

**42. Consumer credit legislation**

This Charge will not extend or apply to any borrowing regulated by the Consumer Credit Act 1974.

**43. Unregistered land**

Where the Property is unregistered land the Borrower hereby covenants with the Lender that:

if and so long as the title to the Property or any part thereof is not registered under the Land Registration Act 2002 no person shall during the continuance of this security be registered under the said Act as proprietor of the Property without the consent in writing of the Lender.

**44. Registered land**

Where the Property is registered land, the Borrower hereby applies to the Land Registry for a restriction in the following terms to be entered on the register of the Borrower's 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 ..... in favour of Magellan Home Loans Limited referred to in the charges register

**45. Incorporation of schedules**

The schedules to this Charge form part of the Charge.

**46. The Contracts (Rights of Third Parties) Act 1999 (RTP Act)**

*Excluding the RTP Act*

Except as expressly provided in this Charge, a person who is not a party to this Charge has no right under the RTP Act to enforce any term of this Charge but this does not affect any right or remedy of a third party which exists or is available apart from the RTP Act.

**47. Execution as a deed**

This document has been executed as a deed but is not delivered until it has been dated.

## Schedule 1

### Definitions and interpretation

#### 48. Definitions

In this Charge (unless the context otherwise requires or admits) the following words and phrases shall have the following meanings:

<b>Acts</b>	all 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, guidance notes and circulars (in the case of guidance and circulars having the force of law) (in each case whether made in the United Kingdom, the European Community or elsewhere and having effect in the United Kingdom) now in force or passed after the date of this Charge.
<b>Authority</b>	any Secretary of State government department local or public authority or statutory undertaking.
<b>Business Day</b>	a day (other than a Saturday or Sunday) on which banks are generally open for business in London.
<b>Charge</b>	this legal charge and includes any instrument supplemental to or which is expressed to be collateral or entered into pursuant to or in accordance with the terms of this legal charge.
<b>Charged Assets</b>	the Property and other assets which are charged and assigned under clause 3.
<b>Default Interest</b>	interest at the Default Rate.
<b>Default Rate</b>	the interest rate from time to time specified as a default rate (howsoever described) in the Facility Agreement or Loan Conditions.
<b>Encumbrance</b>	any Security Interest, preferential right or trust arrangement or other encumbrance security agreement or arrangement of any kind or any right conferring a priority of payment.
<b>Enforcement Event</b>	any of the events or circumstances described in clause 17.
<b>Environment</b>	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.
<b>Environmental Claim</b>	any notice or claim from any person (including, without limitation, any Authority) alleging any breach contravention or violation of any Environmental Laws by the Borrower or the existence of any liability arising from any such breach contravention or violation, including, without limitation, liability to conduct, pay for or for damages in respect of any investigation or audit clean up remediation administrative cost or charge or expense, damage to the Environment or any natural resource, property loss or damage personal injury or any penalty attaching or relating to the presence emission release or leak of any harmful or hazardous material in or to the Environment.
<b>Environmental Laws</b>	all Acts concerning the protection of the Environment human health or working conditions, including without limitation the conservation of natural resources, the production storage transportation treatment recycling or disposal of any waste or any noxious offensive or dangerous substance or the liability of any person whether civil or criminal for any damage to or pollution of the Environment or the rectification thereof or any related matters.
<b>Environmental Licence</b>	any permit licence authorisation consent or other approval required by any Environmental Laws.

<b>Expenses</b>	all interest commission fees and legal and other costs charges and expenses including VAT which the Lender or any Receiver may charge or incur as specified in clause 31.
<b>Facility Agreement</b>	any agreement creating indebtedness entered into by the Borrower from time to time and any agreement entered into under or supplemental to it or amending, restating or novating any such agreement.
<b>Financing Document</b>	any Facility Agreement or loan agreement or other document relating to some or all of the Secured Liabilities together with this Charge and any other security document entered into by any person from time to time creating an Encumbrance directly or indirectly for the obligations of the Borrower in relation to the Secured Liabilities (and <b>Financing Documents</b> means any of them).
<b>Full Title Guarantee</b>	has the meaning given by the Law of Property (Miscellaneous Provisions) Act 1994.
<b>Indebtedness</b>	any obligation of any person from time to time (present or future, actual or contingent, as principal or surety or otherwise) for the payment or repayment of money.
<b>Insolvency Event</b>	in relation to the Borrower or any other person liable in respect of the Secured Liabilities means: <ol style="list-style-type: none"> <li>1. it is unable to pay its debts as they fall due (within the meaning of section 123 IA 1986, but disregarding the words "it is proved to that satisfaction of the court that" wherever it appears within that section), admits its inability to pay its debts as they fall due or commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of, or a composition with, its creditors;</li> <li>2. it takes any corporate action or other formal steps are taken or legal proceedings are started for its winding up dissolution or reorganisation or for the appointment of a receiver manager administrator administrative receiver administrator liquidator supervisor nominee trustee or similar officer of it or any or all of its revenues and assets;</li> <li>3. it proposes, or its directors make a proposal for, an arrangement or composition with or for the benefit of its creditors, including a voluntary arrangement under part I of IA 1986;</li> <li>4. it obtains a moratorium in accordance with section 1A, IA 1986 and schedule A1 to IA 1986 in respect of its indebtedness or anything is done by it or on its behalf for the purposes of obtaining a moratorium;</li> <li>5. distress, execution or other process is levied or issued against or an encumbrancer takes possession of any part of its revenues or assets; or</li> <li>6. any similar or analogous event to those specified in paragraphs 1 to 5 above occurs under the laws of any jurisdiction whatsoever in respect of it or the Lender shall have reasonable grounds for believing that any of the foregoing is imminent.</li> </ol>
<b>Insurances</b>	the insurances of the Charged Assets referred to in clause 12.
<b>Interest</b>	interest at the rate referred to in the Financing Documents (after as well as before any demand made or judgment obtained or the liquidation or administration of the Borrower) payable upon such days as the Lender may from time to time determine and

	such interest shall be compounded in the event of it not being punctually paid with quarterly rests in accordance with the usual practice of the Lender, but without prejudice to the right of the Lender to require payment of such interest when due.
<b>LPA</b>	the Law of Property Act 1925.
<b>Lease</b>	any lease sublease underlease agreement for lease tenancy agreement licence and any other rights of occupation of the Property.
<b>Licences</b>	all present and future licences, permits, consents and authorisations (if any) held in connection with any business at any time carried on by the Borrower at the Property
<b>Occupier</b>	any occupier of the Property including any tenant licensee or occupier under a Lease.
<b>Occupier Notice</b>	notice in writing to each Occupier notifying each Occupier that by this Charge the Property has been charged to the Lender and acknowledging the Lender's rights under this Charge, in a form specified by the Lender.
<b>Planning Acts</b>	the Town and Country Planning Act 1990 the Planning (Listed Buildings and Conservation Areas) Act 1990 the Planning (Hazardous Substances) Act 1990 the Planning (Consequential Provisions) Act 1990 the Planning and Compensation Act 1991 and any other Act for the time being in force relating to town and country planning together with all regulations and orders made or confirmed under any of them.
<b>Prior Charge</b>	the Encumbrances existing at the date of this charge, details of which are set out at Schedule 3.
<b>Property</b>	the freehold leasehold or immovable property referred to in Schedule 2 and any part or parts of it.
<b>Receiver</b>	an administrator, receiver and/or manager (and, if permitted by law, an administrative receiver) and any substitute for any such person and whether appointed under this Charge or pursuant to any Act or otherwise.
<b>Rental Acknowledgement</b>	a letter in writing from each Occupier acknowledging receipt of the Rental Notice and undertaking to pay the Rental Income to the bank account nominated in writing by the Lender.
<b>Rental Income</b>	any gross rents licence fees and other monies receivable now or at any time in the future by the Borrower in respect of or arising out of any Lease or otherwise without limitation derived by the Borrower from the Property or otherwise paid to or received by the Borrower in respect of the Property (including without limitation all mesne profits and all monies payable in respect of insurance rents service charges and taxes on rental income).
<b>Rental Notice</b>	notice in writing to each Occupier notifying each Occupier that by this Charge all Rental Income payable by the Occupier to the Borrower has been assigned by the Borrower to the Lender and requiring the Occupier to pay the Rental Income to such bank account as the Lender shall specify in writing.
<b>Security Interest</b>	any option, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, security interest, retention of title or other encumbrance of any kind securing, or any right conferring, a priority of payment in respect of any obligation of any person or a contractual right relating to shares or to any asset or liability.
<b>Secured Liabilities</b>	all monies obligations debts and liabilities whatsoever whether for principal interest or otherwise in whatever currency which may now or at any time in the future be due owing or incurred by the Borrower to the Lender whether present or future actual or contingent and whether alone severally or jointly as principal

guarantor surety or otherwise and in whatever name or style and whether on any current or other account or in any other manner whatsoever and including without limitation all Expenses together with Interest computed on all Secured Liabilities on the basis specified in clause 2.2.

**VAT**

value added tax or any analogous duty from time to time payable in any relevant jurisdiction.

**49. Interpretation**

- 49.1 References to clauses and schedules are to be construed as references to the clauses of and schedules to this Charge.
- 49.2 References to any provisions of this Charge or to any other document or agreement are to be construed as references to those provisions or that document or agreement as is in force for the time being and as amended varied supplemented substituted or novated from time to time.
- 49.3 Words importing the singular are to include the plural and vice versa.
- 49.4 References to a person are to be construed to include references to a corporation firm borrower partnership joint venture unincorporated body of persons individual or any state or any agency of a state whether or not a separate legal entity.
- 49.5 References to any person are to be construed to include that person's assigns or transferees or successors in title, whether direct or indirect.
- 49.6 References to any statutory provision are to be construed as references to that statutory provision as amended supplemented re-enacted or replaced from time to time (whether before or after the date of this Charge) and are to include any orders regulations instruments or other subordinate legislation made under or deriving validity from that statutory provision.
- 49.7 Clause headings are for ease of reference only and are not to affect the interpretation of this Charge.
- 49.8 Where the **Borrower** consists of two or more parties:
  - 49.8.1 such expressions shall mean and include such two or more parties and each of them or (as the case may require) any of them;
  - 49.8.2 all covenants charges agreements and undertakings expressed or implied on the part of the Borrower in this Charge shall be deemed to be joint and several covenants charges agreements and undertakings by such parties;
  - 49.8.3 each shall be bound even if any other of them intended or expressed to be bound by this Charge shall not be so bound; and
  - 49.8.4 the Lender may release or discharge any one or more of them from all or any liability or obligation under this Charge or may make any arrangement or composition with any such person without thereby releasing any other or others of them or otherwise prejudicing any of its rights under this Charge or otherwise.

**Schedule 2**

**Property**

All that [freehold/leasehold] property known as

6 CASTLE STREET CARDIFF CARDIFFON SA4 3 3AB  
registered at the Land Registry with title number WA 6 3 5 5 3 6



**BORROWER EXECUTION PROVISIONS**

Executed as a deed by



.....[BORROWER]

acting by a director and its

secretary or by two directors:



Director



Secretary/Director

[OR]

Executed as a deed by



.....[BORROWER]

acting by

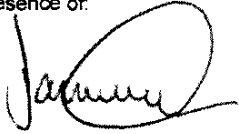


.....[NAME OF DIRECTOR].

a director, in the presence of:

Director

Witness' signature:



Witness' name:

DAVID COLE.

Address:

GEORGE, DAVIES & EVANS  
SOLICITORS  
CASTLE CHAMBERS  
GROSVENOR HILL, CARDIGAN  
SA43 1HX

Occupation:

Solicitor.

Executed as a deed  
by affixing the common seal of

.....[BORROWER]  
in the presence of:

.....  
Director

.....  
Director/Secretary

Signed as a deed on behalf of .....  
....., a company ..... Authorised signatory  
incorporated in ....., by .....  
.....[NAME[S] OF PERSON SIGNING],  
being [a] person[s] who, in accordance  
with the laws of that territory, [is] [OR]  
[are] acting under the authority of the company: ..... Authorised signatory

**LENDER EXECUTION PROVISION**

**SIGNED** for and on behalf of  
**MAGELLAN HOME LOANS LIMITED,**  
by:

.....  
**SIGNATURE**

.....  
**PRINT NAME**