

MR01

Particulars of a charge



Companies House

A fee is payable with this form
Please see 'How to pay' on the
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Please go to www.companieshouse.gov.uk



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15/04/2016

#46

COMPANIES HOUSE

☒ **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 the charge
instrument Use form MR01

FRIDAY

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. This will be
scanned and placed on the public record. **Do not send the original**

1 Company details

Company number 0 9 9 2 3 1 6 2

Company name in full MARCNICO 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 0 4 0 4 2 0 1 6

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 MBI LLANDUDNO BAY HOTEL AND SPA LTD

Name

Name

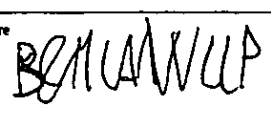
Name

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 ROOM LB122, LLANDUDNO BAY HOTEL AND SPA, EAST PARADE, LLANDUDNO, LL30 1BE ✓	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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6	Floating charge Is the instrument expressed to contain a floating charge? Please tick the appropriate box <input type="checkbox"/> Yes Continue <input checked="" type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input type="checkbox"/> 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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8	Trustee statement ^① 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 <input type="checkbox"/>	① This statement may be filed after the registration of the charge (use form MR06)
9	Signature Please sign the form here 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 MICHELE MENATO

Company name B&M LAW LLP

SRA NUMBER 425497

Address HAMILTON HOUSE

1 TEMPLE AVENUE

Post town LONDON

County/Region LONDON

Postcode EC4Y 0HA

Country UNITED KINGDOM

DX

Telephone 020 7356 0833



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

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



Where to send

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

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

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

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



Further information

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9923162

Charge code: 0992 3162 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th April 2016 and created by MARCNICO LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th April 2016.

P

Given at Companies House, Cardiff on 24th April 2016



Companies House



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

DATED

04 APRIL 2016

**Seller's Security Document
(Legal Charge of Property)**

between

Marcnico Ltd

And

MBI Llandudno Bay Hotel and Spa Ltd

THIS LEGAL CHARGE is dated 04 APRIL 2016

Parties

- (1) **Marcnico Ltd** (company registration number 09923162) whose registered address is 12 East Passage, London EC1A 7LP (the **Borrower**)
- (2) **MBI Llandudno Bay Hotel and Spa Ltd** incorporated and registered in England and Wales with company number 08716571 whose registered address is 2nd Floor, 4 The Warehouse, Sowerby Bridge HX6 2AG (the **Lender**)

Background

- (A) By the Assignment, the Original Buyer of the Property has assigned their interest in the Property to the Borrower
- (B) The Lender has agreed to enter into a new Legal Charge with the Borrower who has agreed to execute this charge in favour of the Lender to secure the repayment of the outstanding balance of **£24,000**
- (C) The Lender and the Borrower have agreed that the repayments of the outstanding sum shall be offset against the Annual Payments payable by the Lender (or their Hotel Management Company) under the terms of the Agreement and Sub Lease, the benefit of which has been assigned to the Borrower

Agreed Terms

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The definitions and rules of interpretation in this clause apply in this Legal Charge.

Agreement: the Agreement for Lease dated 19th February 2015 made between Nicola Cardamone (the "Original Buyer") and the Lender for the provision of the loan secured by this Legal Charge in relation to the Property. The benefit of the Agreement has been assigned to the Borrower

Annual Payments: guaranteed sums payable by the Lender (or its nominated Hotel Management Company) to the Borrower for a period of 10 years from the date of the Agreement and detailed in the Agreement & Sub Lease

Assignment. the assignment dated 04 APRIL 2016 of all legal interests in the Property under the terms of the Agreement, Lease and Sub Lease from the original Buyer to the Borrower

Business Day. any day other than Saturday Sunday and any bank or public holiday in England and Wales

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

Event of Default: any event or circumstance listed in *Schedule 5*

Hotel Home Management Company: "MBI Hotel Management Limited" (Company Registration Number 08717358) or other such UK company set up by the Lender to manage and run the Hotel on its behalf

Landlord: the Seller as defined in the Agreement

Lease: The Lease dated 19th February 2015 between the Seller (The Lender) and the Original Buyer

Loan: The sum of £24,000

LPA 1925: the Law of Property Act 1925

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

Repayment Date: each of the dates or timescales specified in *Schedule 6* for repaying the Loan in instalments

Secured Liabilities: the Loan and all present and future monies, obligations and liabilities owed by the Borrower to the Lender under or in connection with the Loan, the Agreement and this Legal Charge

Security Period: the period starting on the date of this Legal Charge and ending on either the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding or on the tenth (10th) anniversary of the Agreement (whichever is the sooner)

Sub Lease: The Sub Lease dated 19th February 2015 between MBI Hotel Management Limited and the Original Buyer, the benefit of which has been assigned to the Borrower

VAT: value added tax as provided for in the Value Added Tax Act 1994 and any tax similar or equivalent to value added tax

1.2 Interpretation

In this Legal Charge

- (a) a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment or extension and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts,
- (b) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders,
- (c) unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular,
- (d) a reference to a clause or Schedule is to a clause of, or Schedule to, this Legal Charge and references to paragraphs are to paragraphs of the relevant Schedule, unless the context otherwise requires,

- (e) a reference to this Legal Charge (or any provision of it) or any other document shall be construed as a reference to this Legal Charge, that provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties,
- (f) a reference to a **person** shall include a reference to an individual, firm, company, partnership, corporation, unincorporated body of persons, or any state or any agency of any person,
- (g) a reference to an amendment includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly), and
- (h) clause, Schedule and paragraph headings shall not affect the interpretation of this Legal Charge
- (i) if there is an inconsistency between a defined term in this Legal Charge and in the Agreement, the provisions of this Legal Charge shall prevail

13 Nature of security over real property

A reference in this Legal Charge to a charge or mortgage of, or over, the Property includes

- (a) all buildings and fixtures and fittings which are situated on, or form part of, the Property at any time,
- (b) the proceeds of sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property,
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Property and any monies paid or payable in respect of those covenants, and
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of the Property

14 Law of Property (Miscellaneous Provisions) Act 1989

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

15 Third party rights

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

16 Schedules

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

2. LOAN

The Lender provides to the Borrower the Loan on the terms and subject to the conditions of this Legal Charge and the Agreement.

3. PURPOSE OF LOAN

The Borrower shall use the Loan to purchase the Property under the terms of the Agreement.

4. COVENANT TO PAY

The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities on the Repayment Date or, if earlier, on an Event of Default.

5. GRANT OF SECURITY

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower charges the Property, with full title guarantee, to the Lender by way of first Legal Charge.

6. PERFECTION OF SECURITY

The Borrower consents to an application being made by the Lender (by the Borrower on the Lender's behalf) to the Land Registrar for the following restriction to be registered against its title to the Property:

" No Transfer 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 [DATE]2016 in favour of MBI Llandudno Bay Hotel and Spa Limited referred to in the charges register or their Conveyancer "

7. REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender in the terms set out in *Schedule 2* on each day during the Security Period.

8. COVENANTS

The Borrower covenants with the Lender in the terms set out in *Schedule 3* (parts 1 & 2).

9. POWERS OF THE LENDER

The Lender shall have the powers set out in *Schedule 4*.

10. ENFORCEMENT OF SECURITY

10 1 Default

The Loan shall become immediately payable upon the happening of an Event of Default

10 2 When security becomes enforceable

The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Legal Charge) shall, as between the Lender and a purchaser from the Lender, arise on and be exercisable at any time after the execution of this Legal Charge, but the Lender shall not exercise such power of sale or other powers until an Event of Default occurs whereupon it shall become immediately exercisable

10 3 When statutory powers arise

Section 103 of the LPA 1925 (restricting the power of sale) does not apply to the security constituted by this Legal Charge and the statutory powers of sale and of appointment of a receiver under Sections 101 and 109 of the LPA 1925 (as varied and extended under this Deed) shall arise on the execution of this Deed

10 4 Appointment of a Receiver

Upon the happening of an Event of Default the Lender may in addition to any other remedies available to it

- (a) Exercise all the statutory powers conferred on Lenders by the LPA 1925 free from the restriction imposed by section 103 of the LPA 1925; and
- (b) Appoint a Receiver (subject to the requirements of general law) to be receiver and/or manager with powers to exercise the powers set out in Clause 11 of this Legal Charge, and
- (c) Exercise the Option Agreement in full and final settlement of this Legal Charge

11. RECEIVER

11 1 The Lender may at any time and from time to time in like manner remove any Receiver so appointed and appoint another in his place or appoint an additional person as Receiver

11 2 The Lender may, either at the time of appointment or at any time subsequently and from time to time, fix the remuneration of any Receiver so appointed

11 3 None of the restrictions imposed by the LPA 1925 in relation to the appointment of Receivers or as to the giving of notice or otherwise shall apply

- 11 4 Where more than one Receiver is appointed they shall have the power to act severally
- 11 5 Any Receiver so appointed shall have all the powers conferred on chargees or receivers by the LPA 1925 (but without the restrictions contained in Section 103 of that Act) except to the extent to which those powers are expressly or impliedly excluded by the terms of this Deed. In the event of ambiguity or conflict the terms of this Deed will prevail
- 11 6 In addition any Receiver so appointed shall have power at his discretion, to such extent and upon such terms as he may in his absolute discretion think fit, and notwithstanding any Event of Insolvency in relation to the Borrower, to do or omit to do anything which the Borrower could do or omit to do in relation to all or any part of the Property. In particular (but without limitation) any such Receiver shall have the power.
- a to take possession of, collect and get in all or any part of the Property and for that purpose to bring any proceedings in the name of the Building or otherwise,
 - b to raise or borrow money (whether from the Lender or otherwise) to rank for payment in priority to this security and with or without a charge on all or any part of the Property,
 - c to sell (whether by public auction or private contract or otherwise), lease, vary, renew or surrender leases or accept surrenders of leases (without needing to observe the provisions of Sections 99 and 100 of the LPA 1925) of, or otherwise dispose of or deal with all or any part of, the Property or of rights associated with all or any part of the Property or to concur in so doing whether in the name or on behalf of the Borrower or otherwise,
 - d to seize and sever all or any fixtures at or in the Property other than and except trade machinery as defined by the Bills of Sale Act 1878 and sell the same separately from the Property or its site,
 - e to settle, arrange, compromise or submit to arbitration any accounts, claims, questions or disputes whatsoever which may arise in connection with any business of the Borrower or the Property or in any way relating to this security,
 - f to bring, take, defend, compromise, submit to arbitration or discontinue any actions, suits or proceedings whatsoever whether civil or criminal in relation to the matters referred to in this clause,
 - g to disclaim, abandon or disregard all or any outstanding contracts of the Borrower and to allow time for payment of any debts either with or without security,
 - h to repair, insure, manage, protect, improve, enlarge, develop, build, complete or reconstruct or replace all or any part of the Property and to apply for and obtain any appropriate permissions approvals consents or licences,
 - i to acquire by purchase lease or otherwise any further property assets or rights,

- j to appoint, employ and dismiss managers, officers, contractors and agents,
- k to elect to waive exemption under the Value Added Tax Act 1994 Schedule 10 paragraph 2(1) on behalf of the Borrower in respect of the Property,
- l to do (whether in the name of the Borrower or otherwise) all such other acts and things as he may consider necessary or desirable for the protection, preservation, management, improvement or realisation of the Property or as he may consider incidental or conducive to any of the above matters or to the exercise of any of the above powers

11 7 All money received by any Receiver shall be applied by him

- a in payment of the costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise of all or any of his powers and of all outgoings paid by him (including preferential debts),
- b in payment to the Receiver of such remuneration as may be agreed between him and the Lender at, or at any time and from time to time after, his appointment,
- c in or towards satisfaction of the Loan,
- d and the surplus (if any) shall be paid to the Borrower or other persons entitled to it

12. COSTS AND INDEMNITY

The Borrower shall pay to, or reimburse the Lender on demand, on a full indemnity basis, all costs and liabilities incurred by the Lender, in relation to

- a This Legal Charge secured on the Property,
- b Suing for, or recovering, any of the Secured Liabilities, and

Including, without limitation, the costs of any proceedings in relation to this Legal Charge or the Secured Liabilities or incurred in or suffered by any default or delay by the Borrower in performing any of its obligations under this Legal Charge

13. RELEASE

On the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release the Property from the security constituted by this Legal Charge

14 CONTINUING SECURITY

14 1 Continuing security

This Legal Charge shall remain in full force and effect as a continuing security for the Secured Liabilities unless and until the Lender discharges this Legal Charge in writing

14 2 Rights cumulative

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

14 3 Waivers

Any waiver or variation of any right by the Lender (whether arising under this Legal Charge or under the general law) shall only be effective if it is in writing and signed by the Lender and applies only in the circumstances for which it was given, and shall not prevent the Lender from subsequently relying on the relevant provision

14 4 Further exercise of rights

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

14 5 Delay

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

14 6 Counterparts

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

15. NOTICES

15 1 Service

Each notice or other communication required to be given under, or in connection with, this Legal Charge shall be

- (a) in writing, delivered personally or sent by recorded or special delivery letter, and
- (b) sent
 - (i) to the Borrower at
12 East Passage, London EC1A 7LP
Attention Marcnico Ltd
 - (ii) to the Lender at **2nd Floor 4 The Warehouse Sowerby Bridge HX6 2AG**
Attention MBI Llandudno Bay Hotel & Spa Limited

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

15 2 Receipt by Borrower

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

- (a) if given by hand, at the time of actual delivery, and
- (b) if posted, on the second Business Day after the day it was sent by recorded or special delivery post

A notice or other communication given as described in clause 15 2(a) or clause 15 2(b) on a day which is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day

15 3 Receipt by Lender

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

16 GOVERNING LAW

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

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1 Property

Room LB122 Llandudno Bay Hotel and Spa, East Parade Llandudno LL30 1BE and registered at the Land Registry under Title Number CYM644853

Schedule 2 Representations and warranties

1. OWNERSHIP OF PROPERTY

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

2. NO ENCUMBRANCES

The Property is free from Encumbrances other than the Encumbrance created by this Legal Charge

3 ADVERSE CLAIMS

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

4. ADVERSE COVENANTS

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

5. NO BREACH OF LAWS

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

6. NO INTERFERENCE IN ENJOYMENT

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

7. NO OVERRIDING INTERESTS

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

8 AVOIDANCE OF SECURITY

No Encumbrance expressed to be created under this Legal Charge is liable to be avoided, or otherwise set aside, on the bankruptcy of the Borrower or otherwise

9. NO PROHIBITIONS OR BREACHES

There is no prohibition on the Borrower assigning its rights in the Property and the entry into this Legal Charge by the Borrower does not and will not constitute a breach of any policy, agreement, document or instrument binding on the Borrower or its assets

Schedule 3 Covenants
Part 1. General covenants

1. PAYMENT

The Borrower agrees to repay the Loan by way of annual repayments as detailed hereafter in Schedule 6 PROVIDED ALWAYS that the Borrower's covenant to pay is conditional upon the Lender (or their nominated hotel management company) making the Annual Payments promptly under the terms of the Agreement and Sub-Lease or Lease

2. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

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

- (a) create or permit any Encumbrance on, or in relation to, the Property other than any Encumbrance created by this Legal Charge,
- (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner all or any part of, or any interest in, the Property, or
- (c) create or grant any interest in the Property in favour of a third party

3. PRESERVATION OF PROPERTY

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

4. ENFORCEMENT OF RIGHTS

The Borrower shall use its reasonable endeavours to enforce any rights and start, continue or defend any proceedings relating to any of the Property which the Lender may require from time to time

5. COMPLIANCE WITH LAWS

The Borrower shall comply with all laws and regulations for the time being in force relating to or affecting any Property and shall obtain and promptly renew from time to time and comply with the terms of all consents which may be necessary to enable it to preserve, maintain or renew any Property

6. NOTICE OF BREACHES

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

- (a) any representation or warranty set out in *Schedule 2*; and
- (b) any covenant set out in *Schedule 3*

Part 2. Property covenants

1. INSURANCE

The Borrower shall comply with the insurance obligations as set out in the Agreement and shall not do or omit to do or permit to be done or omitted anything that may invalidate or otherwise prejudice any insurance policies relating to the Property

2. RATES ETC

The Borrower shall punctually pay and indemnify the Lender against all rents rates taxes levies assessments impositions and outgoings whatsoever (whether governmental municipal contractual or otherwise) which may be or may become imposed upon or payable in respect of the Property or any part of it

3. RESTRICTIVE COVENANTS AND LETTINGS

The Borrower shall observe and perform the restrictive and other covenants and stipulations (if any) affecting the Property and the covenants and conditions on the part of the Landlord contained in any Letting pursuant to the Agreement.

4. LEASES

The Borrower shall not exercise any of the powers conferred on him by sections 99 of the LPA 1925 or otherwise create any tenancy or lease or part with or share the possession of occupation of or confer upon any person a contractual licence right or interest to occupy the Property or any part thereof save for any Letting made in accordance with the Agreement

5. NO RESTRICTIVE OBLIGATIONS

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

6. PROPRIETARY RIGHTS

The Borrower shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Property, without the prior written consent of the Lender

7. NOTICES OR CLAIMS RELATING TO THE PROPERTY

The Borrower shall

- 7.1 Give full particulars to the Lender of any notice, application or requirement given or made by any public or local body or authority (a Notice) actually received by the

Borrow that specifically applies to the Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice

- 7.2 If the Lender so requires, immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, such objections or representations in respect of any such Notice as the Lender may desire

8. **VAT OPTION TO TAX**

The Borrower shall not, without the prior written consent of the Lender exercise any VAT option to tax in relation to the Property or revoke any VAT option to tax exercised prior to and disclosed to the Lender in writing prior to the date of this Legal Charge

Schedule 4 Powers of the Lender

1 POWER TO REMEDY

1.1 The Lender shall be entitled (but shall not be obliged) to remedy a breach at any time by the Borrower of any of its obligations contained in this Legal Charge. Any monies expended by the Lender in remedying a breach by the Borrower of any of its obligations contained in this Legal Charge shall be reimbursed by the Borrower to the Lender on a full indemnity basis.

1.2 In remedying any breach in accordance with paragraph 1.1 of Schedule 4, the Lender and its agents shall be entitled to enter onto the Property and to take any action as the Lender may reasonably consider necessary or desirable including, without limitation, carrying out any repairs or other works.

2. EXERCISE OF RIGHTS

The rights of the Lender under paragraph 1 of this Schedule 4 are without prejudice to any other rights of the Lender under this Legal Charge. The exercise of those rights shall not make the Lender liable to account as a chargee in possession.

Schedule 5 Events of Default

1. NON-PAYMENT

The Borrower fails to pay any sum payable by it under this Legal Charge when due, unless its failure to pay is caused solely either by:

- 1 1 An administrative error or technical problem and payment is made within five Business Days of its due date
- 1 2 An event (not caused by, and outside the control of, either party) that materially disrupts the systems that enable payments to be made or which otherwise prevents either or both parties from complying with their obligations under this Legal Charge
- 1 3 The failure of the Lender (or their hotel management company) to make the Annual Payments under the terms of the Agreement and Sub-Lease or Lease

2. NON-COMPLIANCE

The Borrower fails (other than a failure to pay) materially to comply with any provision of the Agreement or this Legal Charge and, if the Lender acting reasonably, considers that the default is capable of remedy, such default is not remedied within 5 Business Days of the earlier of

- 2 1 The Lender notifying the Borrower of the default and the remedy required
- 2 2 The Borrower becoming aware of the default

3. MISREPRESENTATION

Any representation, warranty or statement made by the Borrower in relation to the Agreement or this Legal Charge is (or proves to have been) incomplete, untrue, incorrect or misleading when made

4. INSOLVENCY

- 4 1 The Borrower stops or suspends payment of any of its debts or is unable to pay any of its debts as they fall due
- 4 2 A petition for a bankruptcy order is presented or a bankruptcy order is made against the Borrower

Schedule 6 Repayment

1. REPAYMENT

The Borrower shall repay the Loan by repaying the amount set out below opposite each Repayment Date, on that Repayment Date

Repayment Date	Amount
On the second anniversary of the date of the Agreement	£3,000 00
On the third anniversary of the date of the Agreement	£3,000 00
On the fourth anniversary of the date of the Agreement	£3,000 00
On the fifth anniversary of the date of the Agreement	£3,000 00
On the sixth anniversary of the date of the Agreement	£3,000 00
On the seventh anniversary of the date of the Agreement	£3,000 00
On the eighth anniversary of the date of the Agreement	£3,000 00
On the ninth anniversary of the date of the Agreement	£3,000 00
Total Repaid over the 10 years from the date of the Agreement	<u>£24,000 00</u>

EXECUTED as a DEED by
MBI Llandudno Bay Hotel and Spa Ltd
acting by _____
a director, in the presence of.

Director

Witness Signature

Full Name

Address

EXECUTED as a DEED by

Marcnico Ltd

Acting by • ROBERTO PANICALA

in the presence of

Witness Signature

Full Name

Address

I certify that this document is
a true copy of the original

Signed: BPMUW

Date: 05.04.2016

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]