



Registration of a Charge

Company name: **GBE (CHARTIST) LIMITED**

Company number: **11103684**



X842952B

Received for Electronic Filing: **24/04/2019**

Details of Charge

Date of creation: **24/04/2019**

Charge code: **1110 3684 0001**

Persons entitled: **NEWPORT CITY COUNCIL**

Brief description: **CHARTIST TOWER, 16-18 COMMERCIAL STREET, NEWPORT, NP20 1HA
WHICH IS REGISTERED WITH ABSOLUTE TITLE AT H M LAND REGISTRY
UNDER TITLE NUMBER CYM753913**

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **ABBI EVANS**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11103684

Charge code: 1110 3684 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 24th April 2019 and created by GBE (CHARTIST) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th April 2019 .

Given at Companies House, Cardiff on 25th April 2019

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

**LEGAL CHARGE
H M LAND REGISTRY
LAND REGISTRATION ACTS 1925 TO 2002**

Administrative area: Newport
Title Number: CYM 753913
Property: Chartist Tower, 16-18 Commercial Street, Newport, NP20 1HA

THIS LEGAL CHARGE is made the 24th day of April 2019

BETWEEN:-

- (1) **GBE CHARTIST LIMITED** incorporated and registered in England and Wales with Company Number 11103684 whose registered office is at 9 Windsor Place, Cardiff, CF10 3BY ("the Borrower")
- (2) **NEWPORT CITY COUNCIL** of Civic Centre, Newport, South Wales NP20 4HR ("the Lender").

WHEREAS:

- (A) By a Loan Agreement dated 16th April 2019, the Lender agreed to advance the principal sum of £600,000 [Six Hundred Thousand Pounds] to the Borrower on the terms and subject to the conditions and provisions contained in the Loan Agreement;
- (B) The Borrower is registered at HM Land Registry as proprietor with title absolute of the Property described in this Legal Charge, subject to the rights, exceptions and reservations, covenants, conditions, restrictions, and other matters (if any) mentioned, contained or referred to in the charges register but otherwise free from encumbrances;
- (C) The parties have agreed to enter into this deed by way of security for the discharge of the borrower's obligations under the Loan Agreement in the manner set out in this deed.

NOW IT IS HEREBY AGREED AS FOLLOWS:-

1. Definitions and Interpretation

- 1.1 In this Agreement, the following words and expressions shall have the meanings assigned to them where the context so admits:-

"the Bank" means Coutts Bank of 440 Strand, London,
WC2R
0QS

"Deed of Priority" means the deed of priority dated *on or around the date of this Agreement* and entered into between the Borrower, the Lender and the Bank and setting out the rank order of priority in respect of legal charges secured against the Property;

"Development Purposes" means the development purposes for the Project approved by the Lender as set out in Schedule 1 of the Loan Agreement or such revision or amendment as may be approved from time to time by the Lender;

"Interest Rate" means a fixed rate of 5.5% per annum

"Loan Agreement" means the Award of Grant Funding letter from the Lender dated *16th April 2019* which was accepted by the Borrower on the *17th April 2019*

"Necessary Consents" means planning permission No.18/0465 dated 4th July 2018 for the redevelopment and conversion of the Property into a 154 bed four star hotel, including lower floor retail, leisure and office space, a roof top restaurant and external cladding (or such variation as may from time to time be agreed) any other planning permissions required

for the Project, any other consent, approval, authorisation or licence under any other statute, bye-law or regulation of any competent authority and which is necessary to enable the Works to be lawfully commenced, carried out and completed

"Programme of Work"

means the Borrower's programme for completion of the Works as agreed by the Lender and referred to in the Loan Agreement or such revision or amendment as may be approved from time to time by the Lender

"Project"

means the redevelopment and conversion of the Property in accordance with the Necessary Consents, the Development Purposes and the Programme of Work

"the Property"

means all that leasehold property registered with title absolute at HM Land registry under title number CYM753913 , and known as Chartist Tower, 16-18 Commercial Street, Newport, NP20 1HA together with all buildings, erections, structures, fixtures, fittings and appurtenances thereon from time to time

"Repayment Date"

means 28th February 2027

"VAT"

means value added tax or any other tax of a similar nature and unless otherwise expressly stated all references to sums payable by the Borrower are exclusive of VAT

"Works"

means the redevelopment and conversion work to be carried out as part of the Project.

"Working Day" means any day from Monday to Friday (inclusive) which is not Christmas Day, Good Friday or a statutory bank holiday and "Working Days" shall be construed accordingly.

- 1.2 The Clause headings and Schedule Numbers do not form part of this Agreement and shall not be taken into account in its construction or interpretation;
- 1.3 A reference to a "person" shall include a reference to an individual, firm, company, corporations, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality) and that person's personal representatives, successors, permitted assigns and permitted transferees;
- 1.4 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.5 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.6 A reference to "Lender" shall include the statutory successors, permitted assigns and permitted transferees of Newport City Council;
- 1.7 A reference to a statute or statutory provision shall include any statutory extension, modification, amendment or re-enactment thereof and any regulations, orders or other subordinate legislation made from time to time under it;
- 1.8 Any covenant by the Borrower not to do anything includes an obligation not to permit or suffer that thing to be done by another person.

2. Payment of Sums due under Loan Agreement and Costs.

2.1 Sums due under Loan Agreement

The Borrower covenants with the Lender to pay or discharge on demand all money and other obligations and liabilities agreed to be paid or discharged by the Borrower under the Loan Agreement.

2.2 Costs

2.2.1 The Borrower covenants with the Lender to pay to the Lender on demand and

on a full and unlimited indemnity basis, all costs, charges, expenses and liabilities paid and incurred by the Lender (whether directly or indirectly) in relation to the security constituted by and the obligations owed under and associated with this deed (including all professional costs and fees) together with interest as from the date when the Lender becomes liable for the same until repayment by the Borrower at the Interest Rate (such interest to be paid in the same manner as interest on the principal sum advanced under the Loan Agreement) all of which money and default interest shall be charged on the Property.

2.2.2. Without prejudice to the generality of Clause 2.2.1 the Borrower's liability will include not only those costs, charges, expenses and liabilities that would otherwise be allowable on the taking of an account as between a mortgagor and a mortgagee but also (and insofar as they are not so allowable) those incurred in relation to or arising out of :-

2.2.2.1 the contemplation and institution of all proceedings and other action in connection with the enforcement, preservation and protection of the security constituted by this deed;

2.2.2.2 the contemplation and institution of all proceedings and other action (whether against the Borrower or otherwise) for the payment or discharge of the money and liabilities secured by or associated with this deed;

2.2.2.3 the exercise or contemplated exercise of any power, right or discretion conferred by this deed or by law on the Lender;

2.2.2.4 any default by the Borrower or any surety in in compliance with the obligations imposed by the terms of this security or associated with it;

2.2.2.5 any impeachment or attempted impeachment of the title of the Lender (whether by the Borrower or by a third party) or of the title of the Borrower; and

2.2.2.6 the contemplation or doing of any other matter or thing which the Lender considers to be for the benefit or improvement of the security.

3. Charges

- 3.1 The Borrower with full title guarantee charges the Property to the Lender by way of legal mortgage with payment or discharge of all money and other obligations and liabilities agreed to be paid or discharged by the Borrower under the Loan Agreement or otherwise secured by this Deed
- 3.2 The Borrower shall apply for the registration of this Legal Charge of the Property at HM Land Registry and undertakes to produce to the Lender evidence of such registration in the form of official copies of the register.
- 3.3 The Borrower shall apply to the Chief Land Registrar to enter in the register of the Property on registration of this Legal Charge a restriction that (except under an order of the Registrar);

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the Head of Law and Regulation of Newport City Council of the Civic Centre Newport NP20 4UR"

- 3.3 The Borrower shall arrange for this Legal Charge to be entered in the Company's register of charges under the Companies Act 2006 section 869 and to register the Legal Charge with the Registrar of Companies under the Companies Act 2006 section 860 and shall produce to the Lender a certificate of registration under the Companies Act 2006 section 869.
- 3.4 In accordance with the Deed of Priority, this Legal Charge shall rank second in priority behind the Bank's legal charge, which shall rank first in priority as a continuing security without limit. The Lender's separate legal charge in respect of grant funding for the Project will rank third in priority. The Bank and the Lender will hold on trust any net receipts from the enforcement of their respective legal charges or from an administrator or liquidator of the Borrower in respect of their legal charges to give effect to the rights and obligations contained in the Deed of Priority.
- 3.5 Upon repayment of the full amount of the principal and rolled-up interest under the Loan Agreement, the Lender shall do any such things as may be necessary to

release the Legal Charge in its entirety and enable the Borrower to remove any registration in respect thereof at HM Land Registry and so that the Borrower may remove any entry in any register of charges kept under the Companies Act 2006.

4. Borrower's representations and Warranties.

The Borrower represents and warrants to the Lender as follows:-

Contravention of other liabilities

- 4.1 The execution of and the observance of the Borrower's obligations under this mortgage does not and will not contravene any other charge, mortgage, lease, loan facility or other agreement.

Capacity

- 4.2 The execution of and the observance of the Borrower's obligations under this mortgage does not and will not contravene any of the provisions of its constitution.

5. Borrower's covenants as to the Property

The Borrower covenants with the Lender as set out in this Clause 5.

5.1 Works

The Borrower will complete the Works and deliver the Project in accordance with the Necessary Consents, the Development Purposes and the Programme of Work.

5.2 Repairing Obligations

Upon the completion of the Works, the Borrower will keep the Property in good and substantial repair and good working order and conditions (fair wear and tear excepted).

5.3 Inspection

The Borrower will permit the Lender and its representatives at all reasonable times and upon reasonable notice to enter the Property or any part of it to inspect the progress of the Works and the state and condition of the buildings, fixtures fittings and services in, on or associated with the Property without the Lender becoming liable as mortgagee in possession.

5.4 Entry and repair

In the event that the Borrower fails to complete the Works or fails thereafter to

maintain the buildings, fixtures, fittings and services in, on or associated with the Property in the requisite state of repair and condition, the Lender and its representatives may (but without being obliged to do so) at any time thereafter enter upon the Property or any part of it and complete the Works or carry out all remedial works that the Lender considers to be necessary and proper without the Lender thereby becoming liable as mortgagee in possession.

5.5 Repayment of expenses

The Borrower will on demand repay to the Lender all expenses incurred by the Lender in completing the Works or carrying out the remedial work in accordance with Clause 5.4 together with interest as from the date when the Lender becomes liable for the same until repayment by the Borrower at the Interest Rate (such interest to be paid in the same manner as interest on the principal sum advanced under the Loan Agreement) all of which money and interest shall be charged on the Property.

5.6 Alterations

Upon completion of the Works the Borrower will not without the previous written consent of the Lender (and then only to the extent permitted by and in accordance with any conditions attached to the consent) make any structural or material alteration to, or pull down or remove any or any part of, any buildings, fixtures, fittings and services in, on or associated with the Property.

5.7 Insurance

5.7.1 Duty to insure

The Borrower shall:-

5.7.1.1 keep the Property insured for such amount or amounts (including sums in respect of any loss of rent and any professional fees and costs which may be incurred in relation to the completion of the Works or the repair, rebuilding or reinstatement of the Property) in such name or names and against loss or damage due to such risks and with such underwriters as the Lender may in each case and from time to time approve in writing;

5.7.1.2 make all payments required for this purpose as and when they become due and will when required by the Lender deliver to the Lender the policy of insurance and the receipt for each payment.

5.7.2 Indemnity for payments by the Lender

If the Borrower fails to perform any of its obligations under this Clause 5.7 [Insurance] and if the Lender takes out any insurance on the Property or any part of it, the Borrower will on demand repay to the Lender all payments made by it for that purpose and will pay interest at the Interest Rate as from the date of payment until repayment on any money not repaid on demand (such interest to be paid in the same manner as interest on the principal sum advanced under the Loan Agreement) and all such money and interest shall be charged on the Property.

5.7.3 Application of insurance money

Any money received under any policy of insurance effected or maintained by the Borrower in respect of the Property (whether or not pursuant to its obligations under this Clause 5.7 [Insurance]) shall, at the option and absolute discretion of the Lender, be applied either in making good the loss or damage in respect of which it was received or in or towards the discharge of the money due under this security, and if received by the Borrower, will be held on trust for the Lender for this purpose.

5.8 Outgoings

The Borrower will 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 or may become imposed upon or payable in respect of the Property or any part of it.

5.9 Compliance with statutory obligations.

The Borrower shall ensure that any legislation, regulations or bye-laws for the time being in force applicable to the Property (or to the employment of persons in the Property or any trade or business for the time being carried on in there) are complied with in all respects and at all times.

5.10. Production and compliance with notices

5.10.1 The Borrower shall immediately produce to the Lender any order, direction, permission, notice or other matter whatever affecting or likely to affect the Property and served upon the Borrower by any third party, and the Borrower shall respond to or comply with any such order, direction, permission, notice or other matter without delay.

5.10.2 If the Borrower fails to take immediate steps to commence compliance or fails within the relevant time limits to conclude compliance with the requirements of any order, direction, permission, notice or other matter, the Lender may (but shall not be obliged to) at any time thereafter enter on the Property and execute any works and do anything on the Property necessary to ensure such compliance without the Lender thereby becoming liable as mortgagee in possession. All costs and expenses so incurred by the Lender will be repaid by the Borrower to the Lender on demand together with default interest from the date when the Lender becomes liable for the same until repayment by the Borrower at the Interest Rate (such interest to be paid in the same manner as interest on the principal sum advanced under the Loan Agreement) and all such money and interest shall be charged on the Property.

5.10.3 The Borrower irrevocably appoints the Lender and its representatives for the time being to be the Borrower's attorney to apply for and procure on the Borrower's behalf any licenses, permissions or other consents required from any competent authority for the execution of any works required in accordance with this Clause 5.10 to be executed by the Lender on the default of the Borrower. All expenses incurred by the Lender in securing the licenses, permissions or other consents under this Clause shall be treated as part of the costs of the works and such expenses and interest on them shall be charged upon the Property as provided by Clause 5.10.2

5.11 Change of use and development

The Borrower will not:-

5.11.1 use the Property for any purpose other than the permitted use in accordance with the Necessary Consents (and in particular, but without limitation planning permission No.18/0465 dated 4th July 2018) except with the prior written consent of the Borrower and the local planning authority and then only to the extent permitted by and in accordance with any conditions attached to any such consent.

5.11.2 carry out any operation, development or work to the Property other than the completion of the Works and the delivery of the Project in accordance with the Necessary Consents except with the prior written consent of the Borrower (and then only to the extent permitted by and in accordance with any

conditions attached to any such consent).

5.12 Leasing and disposal

The Borrower must not without the previous consent in writing of the Lender (and then only to the extent permitted by and in accordance with any conditions attached to any such consent):-

5.12.1 exercise or agree to exercise any power of leasing or of accepting surrenders of leases (whether conferred by statute or otherwise) or vary or agree to vary any lease or tenancy agreement or the amounts payable thereunder; or

5.12.2 otherwise part with or share possession of or dispose of or deal with the Property or any part of it or any interest in it

5.13 Compliance with property terms and conditions

5.13.1 The Borrower shall observe and perform the terms of all conveyances, grants, assignments, transfers, contracts and other deeds and documents from time to time affecting the Property and binding on the Borrower and shall keep the Lender indemnified against all proceedings and claims on account of any breach of the terms of such documents.

5.13.2 All expenses damages and costs incurred by the Lender in relation to any breach referred to in this Clause will be repaid by the Borrower to the Lender on demand together with default interest from the date when the Lender becomes liable for the same until repayment by the Borrower at the Interest Rate (such interest to be paid in the same manner as interest on the principal sum advanced under the Loan Agreement) and all such money and default interest shall be charged on the Property.

5.14 Other Charges

The Borrower shall not without the previous written consent of the Lender (and then only to the extent permitted by and in accordance with any conditions attached to such consent) create or permit to subsist any subsequent mortgage, pledge, charge, incumbrance, lien or other security interest in the Property other than this security, the prior legal charge to the Bank and the subordinate charge in favour of the Lender, in accordance with the Deed of Priority.

6. Lender's Powers and Rights

6.1 Exercise of statutory powers

The Law of Property Act 1925 Section 103 shall not apply to this security.

6.2. Enforcement of security and exercise of power of sale

At any time after the money secured by this mortgage has become due and payable the security shall be immediately enforceable and the Lender's power of sale as amended or varied by this mortgage shall be immediately exercisable in respect of the whole or any part of the Property without the restrictions contained in the Law of Property Act 1925 as to the giving of notice or otherwise.

6.3. Extension of statutory powers

The power of sale conferred upon mortgagees by the Law of Property Act 1925 shall be extended so as to authorise any person exercising it to do so by selling the Property or any part of it in such manner and on such conditions as to payment of the purchase price and otherwise as the Lender may think fit.

6.4 By way of extension of the powers contained in the Law of Property Act 1925 sections 99 and 100, the Lender shall at any time or times hereafter (and whether or not the Lender has entered into or is in possession of the Property or has appointed a Receiver who is still acting) be entitled to grant or vary or reduce any sum payable under, or accept surrenders of, leases of the Property or any part or parts of it or agree to do so without restriction in such manner and on such terms and conditions as the lender shall think fit. For the purpose of the exercise of these powers, the provisions of the Law of Property Act 1925 Section 99 shall be deemed to have been enacted with the omission of the Law of Property Act 1925 Section 99(18).

6.5 At any time after this security has become enforceable and notwithstanding the appointment of any Receiver, the Lender may at its absolute discretion exercise any power which a Receiver appointed by it could exercise (and for these purposes the Borrower authorises the Lender 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.

6.6 The powers referred to in or granted or varied or extended by Clauses 6.3 to 6.5 (Extension of Statutory Powers) shall (subject to the rights and obligations set out in

the Deed of Priority) be exercisable free from any liability on the part of the Lender or the person exercising them to the Borrower or any other interested person, whether in contract, tort or otherwise.

7. Power to appoint a Receiver

7.1. Appointment

At any time after this security becomes enforceable, or at the request of the Borrower, the Lender may by writing under hand appoint any person or persons to be a Receiver of all or any part of the Property.

7.2. Removal

The Lender may at any time and from time to time by writing under hand remove any Receiver so appointed and appoint another in his place or appoint an additional person as Receiver.

7.3. Remuneration

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

7.4. Restrictions

None of the restrictions applied by the Law of Property Act 1925 in relation to the appointment of Receivers or as to the giving of notice or otherwise shall apply.

7.5. Power to act severally

Where more than one Receiver is appointed they shall have the power to act severally.

7.6. Agency

Any receiver appointed under this Clause shall be the agent of the Borrower for all purposes and the Borrower shall be solely responsible for his acts or defaults and for his remuneration.

7.7. General Powers

Any Receivers appointed pursuant to this Clause shall have all of the powers conferred on mortgagees or Receivers by the Law of Property Act 1925 (but without the restrictions contained in the Law of Property Act 1925 Section 103) and on Administrative Receivers by the Insolvency Act 1986 Schedule 1 except to the extent

to which those powers are expressly or impliedly excluded by the terms of this deed or the Deed of Priority. In the event of any ambiguity or conflict, the terms of this deed and/or the Deed of Priority will prevail.

7.8. Specific Powers

In addition to the general powers referred to in Clause 7.7 any Receiver appointed under this deed shall have the power, at his discretion, to such extent and upon such terms as he may in his absolute discretion think fit and notwithstanding the administration or liquidation of 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:

- 7.8.1 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 Borrower or otherwise;
- 7.8.2 to manage or carry on or concur in the carrying on of any Business of the Borrower;
- 7.8.3 to raise or borrow money (whether from the Lender or otherwise) to rank in payment in priority to this security and with or without a charge on all or any part of the Property;
- 7.8.4 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 the Law of Property Act 1925 Sections 99 and 100) 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;
- 7.8.5 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;
- 7.8.6 to bring, take, defend, compromise, submit to arbitration or discontinue any actions, suits or proceedings whatsoever whether civic or criminal which may arise in connection with any business of the Borrower or the Property or in any way relating to this security;
- 7.8.7 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;

- 7.8.8 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;
- 7.8.9. to acquire, by purchase or lease or otherwise, any further property, assets or rights;
- 7.8.10 to appoint, employ and dismiss manager, officers, contractors and agents;
and
- 7.8.11. 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 preservation, management, improvement or realisation of the Property or as he may consider incidental or conducive to any of the above powers (and for these purposes the Borrower authorises the Receiver 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).

7.9 Application of money

All money received by the Receiver shall be applied by him in the following order:

- 7.9.1 in payment of all 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);
- 7.9.2 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;
- 7.9.3 in or towards satisfaction of the amount owing under the prior legal charge in favour of the Bank
- 7.9.4 in or towards satisfaction of the amount owing on this security
- 7.9.5 in or towards satisfaction of any amount owing under the Lender's subordinate legal charge

with the surplus (if any) being paid to the Borrower or other persons entitled to it.

7.10 Right to consolidate

The Law of Property Act 1925 Section 93 (restricting the Lender's right of consolidation) shall not apply to this security.

8. Protection of those dealing with the Lender or Receiver

No person dealing with the Lender or any Receiver appointed by the Lender shall be concerned bound or entitled to inquire or be affected by notice as to any of the following matters:-

- 8.1 whether this security has become enforceable;
- 8.2 whether any power exercised or purported to be exercised under this mortgage has arisen or become exercisable;
- 8.3 the propriety, regularity or purpose of the exercise or purported exercise of any such power
- 8.4 whether any money remains due under the security; or
- 8.5 the necessity or expediency of the stipulations and conditions subject to which any disposition shall be made.

And the receipt of the Lender or any Receiver for any money shall effectively discharge the person paying from such matters and from being concerned to see to the application or being answerable for the loss or misapplication of such money.

9. Indulgence and waiver

The Lender may at any time or times without discharging or diminishing or in any way prejudicing or affecting this security or any right or remedy of the Lender under this mortgage or the Loan Agreement or any other associated or collateral security grant to the Borrower, or to any other person, time or indulgence, further credit, loans or advances or enter into any arrangement or variation of rights or, either in whole or part, release, abstain from perfecting or enforcing or neglect or fail to perform or enforce any remedies, securities, guarantees or rights which the Lender may now or subsequently have from or against the Borrower or any other person.

10 Demands and Notices

10.1 A demand or notice by the Lender under this mortgage must be in writing and shall be deemed to have been properly served on the Borrower:-

10.1.1 by delivering it by hand to any one of the Directors or Secretary

10.1.2 by delivering it by hand or sending it by first class post or fax addressed to the Borrower at its registered office or principal place of business

10.2 Service shall be deemed to have been effected, notwithstanding the dissolution of the Borrower

10.2.2 if delivered by hand, at the time it is left at the relevant address;

10.2.3 if posted by pre-paid first class post, on the second Business Day after posting; and

10.2.4 if sent by fax, when received in legible form.

10.3 A notice or communication given as described in this clause on a day that 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.

10.4 The methods of service described in this Clause 10 are in addition, and without prejudice to, any other method of service prescribed or permitted by law and, in particular, to the provisions of the Law of Property Act 1925 Section 196.

11. Validity and Severability

Each of the provisions of this mortgage is severable and distinct from the others and is at any time one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired

12. Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this mortgage shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms but for the avoidance of doubt it is agreed that the exclusion of the application of that Act shall not prevent all or any future statutory successors of the Lenders from being able to enforce any of the obligations of the mortgage against the Borrower.

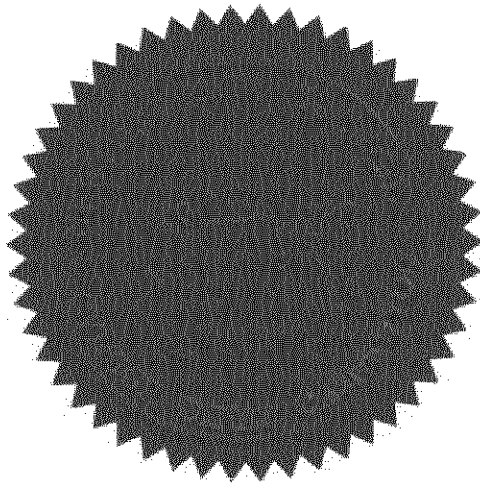
13. Governing law and jurisdiction

13.1 This mortgage is governed by and shall be construed in accordance with the laws of England and Wales.

13.2 Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim arising out of or in connection with this mortgage or its subject matter or formation (including non-contractual disputes or claims).

IN WITNESS whereof the Parties hereto have executed this document as a deed the day and year first before written

THE SEAL OF NEWPORT CITY COUNCIL)
was hereunto affixed in the presence of:)



Lyron Price
Head of Law & Regulation

EXECUTED as a DEED by
GBE CHARTIST LTD

acting by

[*[Signature]*]
a Director

in the presence of:

SARA BARRY-WHEELER

Witness Signature

Witness Name:

Witness Address:

19 WINDSOR PLACE, CARDIFF

Witness Occupation:

PA