



**Registration of a Charge**

Company name: **SIGNATURE LIVING HOTEL LIMITED**

Company number: **08124207**



X6CXFEA3

Received for Electronic Filing: **16/08/2017**

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**Details of Charge**

Date of creation: **09/08/2017**

Charge code: **0812 4207 0030**

Persons entitled: **WESTFOOT INVESTMENTS LIMITED**

Brief description: **THE LEASEHOLD PROPERTY KNOWN AS FLAT 9, 38-40 VICTORIA STREET, LIVERPOOL L1 6BX AS REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER MS577140, AND THE LEASEHOLD PROPERTY KNOWN AS FLAT 11, 38-40 VICTORIA STREET, LIVERPOOL L1 6BX AS REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER MS565730.**

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

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

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**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: **SCHOFIELD SWEENEY LLP**



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

Company number: 8124207

Charge code: 0812 4207 0030

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th August 2017 and created by SIGNATURE LIVING HOTEL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th August 2017 .

Given at Companies House, Cardiff on 18th August 2017

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

Dated 6<sup>th</sup> August 2017

(1) Signature Living Hotel Limited

(2) Westfoot Investments Limited

**Legal Charge**

**Schofield Sweeney LLP**

Springfield House  
76 Wellington Street  
Leeds LS1 2AY  
Tel: 0113 220 6270

(Ref: KC/8927.32)

We hereby certify that this is  
a true copy of the original  
*Schofield Sweeney*  
Schofield Sweeney Solicitors

16.08.17

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This Deed is made on

9<sup>th</sup> August

2017

## Parties

- (1) **Signature Living Hotel Limited** a company incorporated in England and Wales with registered number 08124207 whose registered office is at Millennium House, 60 Victoria Street, Liverpool, Merseyside, L1 6JD (the **Chargor**); and
- (2) **Westfoot Investments Limited** a company incorporated in England and Wales with registered number 8344487 whose registered office is at Unit 6 Acorn Business Park, Woodseats Close, Sheffield S8 0TB (the **Lender**).

## Background

- (A) The Lender has agreed to make available a loan facility to the Chargor on the terms and conditions set out in the Facility Agreement (as defined below).
- (B) It is a condition precedent to the availability of the loan facility that the Chargor enter into this Deed for the purpose of providing security in favour of the Lender in respect of the Secured Obligations (as defined below).

## Operative Provisions

### 1 Definitions and interpretation

#### 1.1 In this Deed, unless otherwise provided:

**Facility Agreement** means the facility agreement entered into on the date of this Deed between the Chargor as borrower and the Lender as lender;

**Insurance Policies** means each of the insurance policies now or in the future held by or otherwise benefiting the Chargor in relation to the Real Property (including the insurance policies specified in Schedule 2) and any insurance policies that are effected to renew, substitute or replace any such insurance policies and **Insurance Policy** means any one of them;

**Leases** means any lease(s) pursuant to which the Chargor owns the Real Property and **Lease** means any one of them;

**LPA 1925** means the Law of Property Act 1925;

**Party** means a party to this Deed;

**Real Property** means:

- (a) all or any of the freehold and/or leasehold properties specified in Schedule 1; and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of any of such properties;

**Receiver** means any receiver appointed under this Deed or pursuant to any applicable law, whether alone or jointly, and includes a receiver and/or manager;

**Secured Assets** means all of the present and future assets of the Chargor which from time to time are the subject of any Security Interest created, or purported to be created, by or pursuant to this Deed;

**Secured Obligations** means all present and future obligations and liabilities (whether actual or contingent, whether incurred alone, jointly or severally, whether as principal or surety and/or in any other capacity whatsoever and regardless of how they arise) owed by the Chargor to the Lender, whether under or in connection with the Finance Documents or otherwise, together with all losses, costs, charges, expenses and liabilities including interest incurred by the Lender on them in connection with the protection, preservation or enforcement of its rights under any document evidencing or securing any such liabilities, including the Finance Documents;

**Security Interest** means any charge, pledge, mortgage, lien or other security interest securing any obligations of any person or any other arrangement of any type whatsoever having the effect of conferring security or a similar effect; and

**Security Period** means the period beginning on the date of this Deed and ending on the date on which the Lender is satisfied that the Secured Obligations have been unconditionally and irrevocably discharged in full and that no further Secured Obligations are capable of being outstanding.

1.2 Unless defined otherwise in this Deed, or the context requires otherwise, all words or expressions defined in the Facility Agreement have the same meaning in this Deed.

1.3 In this Deed, unless the context otherwise requires:

1.3.1 words in the singular include the plural and vice versa;

1.3.2 including means including without limitation;

1.3.3 where an act is required to be performed promptly, it must be performed as soon as reasonably possible from the moment when the act could reasonably have been performed, having regard to all of the circumstances;

1.3.4 a reference to any Party shall be construed as including, where relevant, successors in title to that Party, and that Party's permitted assigns and transferees (if any);

1.3.5 a reference to a person includes individuals, unincorporated bodies, government entities, companies and corporations;

1.3.6 a reference to a Clause or a Schedule is to a clause of, or schedule to, this Deed;

- 1.3.7 a reference to this Deed, any other Finance Document or any other agreement is a reference to that document as amended, novated, supplemented, restated or replaced from time to time in accordance with its terms; and
- 1.3.8 references to legislation include any modification or re-enactment of such legislation or any part of it.
- 1.4 A reference to this Deed includes its Schedules, which form part of this Deed.
- 1.5 The table of contents and any Clause title, Schedule title or other headings in this Deed are included for convenience only and shall have no effect on the interpretation of this Deed.
- 1.6 An Event of Default is 'continuing' if it has not been waived in writing by the Lender.
- 1.7 The terms of the Facility Agreement, each other Finance Document and any side letters between the Parties in relation to the Finance Documents are incorporated into this Deed to the extent required for any purported disposition of any Real Property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.8 Except as expressly provided for in this Deed, a person who is not a Party (other than a Receiver or any of its delegates or sub-delegates) shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the provisions of this Deed. This does not affect any right or remedy of such a person that exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.
- 1.9 The Parties may terminate or rescind this Deed, or agree to any variation, waiver or settlement in connection with it, without the consent of any third party, whether or not it extinguishes or alters any entitlement they may have to enforce any of the provisions of this Deed.
- 2 Covenant to pay**
- The Chargor covenants with the Lender that it shall, on written demand by the Lender, pay and discharge all the Secured Obligations when due, (together with all interest, fees, costs and expenses charged by or incurred by the Lender in connection with the Chargor's obligations to pay and discharge the Secured Obligations).
- 3 Security**
- 3.1 The Chargor, with full title guarantee, charges by way of legal mortgage, in favour of the Lender, all of the Real Property as security for the payment and discharge of the Secured Obligations.
- 3.2 The Chargor, with full title guarantee, assigns absolutely to the Lender, as security for the payment and discharge of the Secured Obligations:

- 3.2.1 the benefit of each of the present and future agreements, licences, options, contracts, guarantees, warranties, easements, agreements for lease, and any other document, in each case, entered into by the Chargor relating to the use, acquisition, exploitation, disposal of or dealings with any of the Real Property; and
- 3.2.2 all of the Chargor's rights and claims from time to time arising in relation to each of the Insurance Policies including the benefit of all claims arising and all money payable under the Insurance Policies.

#### **4 Representations and warranties**

- 4.1 The Chargor makes the following representations and warranties to and for the benefit of the Lender on the date of this Deed and acknowledges that the Lender has entered into the Finance Documents in reliance on such representations and warranties:

##### **4.1.1 General**

- 4.1.1.1 this Deed creates the Security Interests that it purports to create and each such Security Interest constitutes a legal, valid and effective Security Interest with first ranking priority;
- 4.1.1.2 no Security Interest subsists over any of the Secured Assets except for the Security Interests created by or pursuant to this Deed and no person holds an interest in any of the Secured Assets other than the Lender under this Deed;
- 4.1.1.3 it is the sole legal and beneficial owner of all of the Secured Assets;
- 4.1.1.4 no third party consents are required to ensure the effective creation of the Security Interests envisaged by this Deed;

##### **4.1.2 Real Property**

- 4.1.2.1 no breach of any law (including environmental law), regulation or covenant or the terms of any planning permission has occurred and is continuing which has or would be reasonably likely to have a material adverse effect on the value or use of its Real Property or any part of it;
- 4.1.2.2 no covenants, agreements, stipulations, reservations, conditions, interest, rights or other matters whatsoever affect any of its Real Property which have or would be reasonably likely to have a material adverse effect on the value or use of its Real Property or any part of it;
- 4.1.2.3 nothing has arisen or has been created or is subsisting which would be an overriding interest or an unregistered interest over

any of its Real Property which would have or be reasonably likely to have a material adverse effect on the value or use of its Real Property or any part of it;

4.1.2.4 it has all facilities (including access) necessary for the enjoyment and use of all of its Real Property where the lack of those facilities would have or be reasonably likely to have a material adverse effect on the value or use of its Real Property or any part of it;

4.1.2.5 no facility necessary for the enjoyment and use of any of its Real Property is on terms entitling any person to terminate or curtail its use;

4.1.2.6 it has received no notice of any adverse claims by any person in respect of any of its Real Property which, if adversely determined, would or would be reasonably likely to have a material adverse effect on the value or use of its Real Property or any part of it;

4.1.2.7 no hazardous or toxic materials, substances, pollutants, contaminants or wastes are present at the Real Property nor have at any time been released into the environment or deposited, discharged, displaced or disposed of at its Real Property;

4.1.2.8 the Chargor has obtained all planning permissions and authorisations required for it to effect its proposed development of the Real Property as communicated to the Lender prior to the date of this Deed, including those required to change the use of the Real Property and physically convert it from office to residential use and carry out all associated works to create multiple residential units each benefitting from the necessary supply of domestic utilities;

#### **4.1.3 Insurance**

4.1.3.1 the Insurance Policies have not been amended, modified or cancelled and remain in full force and effect;

4.1.3.2 it has not done or omitted to do anything and no event or circumstance has occurred which has made or could make any Insurance Policy void, voidable or subject to any restriction, limitation or an increased premium or which could prevent the Lender from receiving any money payable under any Insurance Policy; and

4.1.3.3 It has not received any notification from its insurers that their liability under the Insurance Policies has been reduced or avoided.

4.2 The representations contained in this Clause 4 are deemed to be repeated by the Chargor by reference to the facts and circumstances then existing on each day during the Security Period.

## 5 **Undertakings**

The undertakings in this Clause 5 remain in effect throughout the Security Period.

### 5.1 **General:**

5.1.1 The Chargor must:

5.1.1.1 maintain, preserve, protect and keep good and marketable title to all of the Secured Assets;

5.1.1.2 maintain and preserve the Security Interests created by or pursuant to this Deed and the first-ranking priority of such Security Interests; and

5.1.1.3 provide the Lender with any notices, reports, accounts, circulars and other documents relating to the Secured Assets promptly when they are received.

5.1.2 The Chargor must not:

5.1.2.1 create or permit to subsist any Security Interest over any of the Secured Assets other than the Security Interests created by or pursuant to this Deed; or

5.1.2.2 either in a single transaction or in a series of transactions sell, transfer, licence, lease, grant any option in respect of or otherwise dispose of all or any part of the Secured Assets or agree or attempt to do so, unless such disposal has the prior written approval of the Lender.

### 5.2 **Real Property**

5.2.1 The Chargor must:

5.2.1.1 keep all buildings, plant, machinery, fixtures, fittings and other effects charged under this Deed in good and substantial repair and in good working order (except only for fair wear and tear) and renew and replace them when they become obsolete, worn out or destroyed;

- 5.2.1.2 punctually pay or cause to be paid and keep the Lender indemnified against, all present and future rents, rates, taxes, levies, charges, duties, assessments, impositions and other outgoings assessed, charged or imposed upon or in respect of its Real Property and, when required, produce to the Lender proof of such payment;
- 5.2.1.3 ensure compliance with all laws, statutes, statutory instruments, regulations and by-laws for the time being in force and all notices, orders and requirements of any competent authority, and all directives and codes of practice affecting its Real Property and give effect to all arrangements which any such authority may direct or recommend;
- 5.2.1.4 complete (with reasonable expedition and in compliance with all planning and by-law consents or agreements entered into with a competent authority and all applicable health and safety legislation, including that relating to the management of any asbestos containing material) any building operations commenced at any time by it on its Real Property to the satisfaction of the Lender all of which building operations shall have been previously approved by the Lender;
- 5.2.1.5 observe and perform all agreements, assignments, contracts, conveyances, grants and other deeds and documents for the time being binding on it or affecting its Real Property or its use or enjoyment, and the Chargor must not take or omit to take any action of any kind whereby its interest or estate in its Real Property may be forfeited or otherwise adversely affected;
- 5.2.1.6 if the Chargor receives any notice served under section 146 of the LPA 1925 or any proceedings are commenced for forfeiture of any Lease or any superior lease or the landlord or any superior landlord attempts to re-enter under the provisions of such lease: (i) immediately notify the Lender in writing, and (ii) take such steps as the Lender requires (at the Chargor's own expense);
- 5.2.1.7 permit the Lender to enter any of its Real Property, without prejudice to the powers conferred by this Deed and without becoming a mortgagee in possession, for any reasonable purpose and to view the state of the same;
- 5.2.1.8 punctually pay the rents and perform any other obligations contained in any Lease, agreement for lease, tenancy agreement or licence to occupy its Real Property and enforce the

observance and performance by the landlord or licensor of their respective obligations under any such document;

- 5.2.1.9 supply to the Lender, within 7 days of receipt, copies of any notice, order or proposal received by the Chargor from any competent authority or from any landlord or tenant affecting any of the Real Property in any material respect, and, at the cost of the Chargor, either punctually comply with the notice or order or, if so requested by the Lender, make or join with the Lender in making such objections or representations or taking such other steps as the Lender may think fit, and any compensation received by the Chargor as a result shall be charged to the Lender and paid to it and applied in or towards the discharge of the Secured Obligations;
- 5.2.1.10 promptly on receipt, provide to the Lender a copy of each professional valuation report it obtains in relation to any of the Real Property; and
- 5.2.1.11 notify the Lender, promptly on receipt, of any claim, notice or other communication received by it alleging non-compliance by it in relation to any matter referred to in this Clause 5.2.

5.2.2 The Chargor must not:

- 5.2.2.1 create any legal or equitable estate or interest (including any license or sub-license, or grant any interest or right relating to the use, occupation or possession) in or over the whole or any part of its Real Property (or purport to do so) or part with possession or ownership or allow any third party access to or the right to use any of its Real Property;
- 5.2.2.2 exercise any power of leasing its Real Property or grant any licence to assign or underlet; or
- 5.2.2.3 without the prior written consent of the Lender:
  - construct any building or make any structural alteration, apply for any planning consent for the development or change of use of, or enter into any planning agreement or do anything that could incur a payment to be made to the relevant charging authority as a Community Infrastructure Levy in respect of, any of its Real Property, or, except in the ordinary course of repair, replacement or improvement, at any time sever, remove or dispose of any fixture on it;

- enter into onerous or restrictive obligations affecting its Real Property or create or permit to arise any overriding interest or any easement or right in or over it; or
- alter, pull down, remove or dispose of any of buildings, plant, machinery, fixtures, fittings on its Real Property except in the ordinary course of repair, maintenance or improvement.

### **5.3 Insurance**

#### **5.3.1 The Chargor must:**

- 5.3.1.1 insure and keep insured (or where insurance is effected by the Chargor's landlord, use all reasonable endeavours to procure that the landlord insures and keeps insured) all of the Real Property against loss or damage by fire and other usual risks and such other risks as the Lender may require to its full replacement value from time to time with such insurers as the Lender may from time to time approve in writing;
- 5.3.1.2 to the extent not provided to the Lender on or prior to the date of this Deed, provide the Lender with copies of the Insurance Policies promptly upon coming into possession of any of them;
- 5.3.1.3 comply with the terms of the Insurance Policies;
- 5.3.1.4 promptly, and in any event no later than their due date, pay all premiums required for keeping up the Insurance Policies and deliver to the Lender within 7 days after they become due the receipts for all such premiums;
- 5.3.1.5 provide the Lender with copies of all correspondence given to or received from any insurer under any Insurance Policy promptly after they are given or received;
- 5.3.1.6 renew each Insurance Policy in good time prior to its expiry date;
- 5.3.1.7 if any of the Insurance Policies become void or voidable, immediately at its own cost, effect a new Insurance Policy of the same value as the void or voidable Insurance Policy;
- 5.3.1.8 procure the noting of this Deed and the Lender's interest on each Insurance Policy and procure that the Lender is first loss payee under each Insurance Policy;
- 5.3.1.9 use all reasonable endeavours to procure that each insurer in respect of each Insurance Policy undertakes in writing to the Lender that it will:

- immediately inform the Lender if the Chargor defaults in the payment of any premium or fails to renew any Insurance Policy and, pending receipt of instructions from the Lender, keep the Lender's interest in each Insurance Policy in full force and effect for the full amount insured and for the same risks, subject to any premium for any such period of extended cover being payable by the Lender on behalf of the Chargor;
- advise the Lender of any proposed cancellation of any Insurance Policy at least 30 days before the cancellation is due to take effect; and
- if, in relation to any Insurance Policy, the insurance cover is to be reduced or any insured risks are to be restricted, advise the Lender at least 30 days before the reduction or restriction is due to take effect; and

5.3.1.10 ensure that all proceeds of any of the Insurance Policies will be paid to the Lender and applied towards making good the loss or damage in respect of which the money was received or, at the option of the Lender after the Security Interests created by or pursuant to this Deed become enforceable, towards the discharge of the Secured Obligations; and

5.3.1.11 pay all money it may receive in respect of any Insurance Policy to the Lender immediately upon receipt and, pending such payment, hold all money so received upon trust for the Lender.

5.3.2 The Chargor must not do, or omit to do, any act or commit any default by which any Insurance Policy may become void, voidable or subject to any restriction, limitation or an increased premium or by which the Lender may be hindered from receiving any money payable under any Insurance Policy.

## **6 Perfection of security**

6.1 The Chargor must:

6.1.1 immediately upon the execution of this Deed, deposit with the Lender, all deeds, title documents, certificates and other documents constituting or evidencing title to each of the Secured Assets; and

6.1.2 at any time after the execution of this Deed, deposit with the Lender any further deeds, title documents, certificates and other documents constituting or evidencing title to the Secured Assets, promptly upon coming into possession of any of them.

- 6.2 The Chargor must, immediately upon the execution of this Deed, execute and deliver to the Lender (at the Chargor's expense) in such form and substance as the Lender may reasonably require:
- 6.2.1 all documents required to perfect the Security Interests created, or purported to be created, by or pursuant to this Deed (including any documents required in connection with any registration formalities); and
  - 6.2.2 any notices to any third party of any of the charges or assignments contained in this Deed.
- 6.3 The Chargor must take all such other action as is available to it as may be necessary or as may reasonably be requested by the Lender to create, perfect, protect or maintain any of the Security Interests created, or purported to be created, by or pursuant to this Deed or to vest title to any Secured Asset in the Lender or its nominee or any purchaser, or to facilitate the realisation of any Secured Asset under this Deed or the exercise of any of the rights, powers and remedies of the Lender provided by or pursuant to this Deed or by law, including:
- 6.3.1 making all filings and registrations with and paying all taxes and duties to the appropriate authorities (including Companies House and the Land Registry); and
  - 6.3.2 making an application to the Land Registry for a restriction to be placed on the Proprietorship Register of the Chargor's Real Property so that no disposition of any such Real Property by the Chargor is to be registered without the prior written consent of the Lender.
- 6.4 The Chargor must, immediately upon the execution of this Deed, give notice of assignment of the Chargor's rights and claims from time to time arising in relation to the Insurance Policies, substantially in the form set out in Schedule 3 to each of the insurers under each of the Insurance Policies and use all reasonable endeavours to procure that each such insurer returns the signed acknowledgement of such notice directly to the Lender within 14 days from the date of this Deed.
- 6.5 If the Chargor acquires any rights, title or interest in an Insurance Policy after the date of this Deed, it must, promptly upon the acquisition by it of such rights, title or interest, give notice of the assignment of the Chargor's rights and claims from time to time arising in relation to such Insurance Policy, substantially in the form set out in Schedule 3 to the insurer under such Insurance Policy and use all reasonable endeavours to procure that such insurer returns the signed acknowledgement of such notice directly to the Lender within 14 days from the date the notice of assignment is served.
- 7 Further assurance**
- 7.1 The Chargor must, if requested by the Lender, execute in favour of the Lender (or as the Lender directs) such further legal or other assignments or mortgages of, or charges on,

the Secured Assets as the Lender requires to secure the payment and discharge of the Secured Obligations.

- 7.2 The assignments, mortgages or charges shall be prepared by or on behalf of the Lender at the cost of the Chargor, and shall contain such provisions as the Lender may require.

## **8 Enforcement**

- 8.1 The Security Interests created by or pursuant to this Deed shall become immediately enforceable at any time after the occurrence of an Event of Default which is continuing.

- 8.2 After the Security Interests created by or pursuant to this Deed have become enforceable, the Lender may in its absolute discretion enforce all or any part of this Deed in any manner it sees fit.

## **9 Appointment and powers of a Receiver**

- 9.1 At any time:

9.1.1 after the Security Interests created by or pursuant to this Deed have become enforceable; or

9.1.2 if so requested by the Chargor,

the Lender may appoint by writing any person to be a Receiver of all or any part of the Secured Assets.

- 9.2 Where more than one Receiver is appointed, they shall have power to act separately unless the Lender in the appointment specifies to the contrary.

- 9.3 The Lender may from time to time determine the remuneration of the Receiver.

- 9.4 The Lender may, subject to section 45 of the Insolvency Act 1986, remove the Receiver from the assets of which it is Receiver.

- 9.5 The appointment of a Receiver shall not preclude:

9.5.1 the Lender from making any subsequent appointment of a Receiver over all or any of the Secured Assets over which a Receiver has not previously been appointed or has ceased to act; or

9.5.2 a Receiver, while continuing to act, consenting to the appointment of an additional Receiver to act with it.

- 9.6 A Receiver shall be the agent of the Chargor and the Chargor shall be solely liable for the Receiver's acts, defaults and remuneration, unless and until the Chargor goes into liquidation, after which the Receiver shall act as principal and shall not become the agent of the Lender.

- 9.7 A Receiver shall have and be entitled to exercise in relation to the Chargor all the powers set out in Schedule I to the Insolvency Act 1986, and in particular, by way of addition and

without limiting such powers, and without prejudice to the powers of the Lender, a Receiver shall have power either in its own name or in the name of the Chargor:

- 9.7.1 in connection with any sale or other disposition of the Secured Assets, to receive the consideration for the sale in a lump sum or in instalments and to receive shares by way of consideration;
- 9.7.2 to grant options, licences or any other interests in the Secured Assets;
- 9.7.3 to sever fixtures from, and to repair, improve and make any alterations to, the Secured Assets;
- 9.7.4 to do all other acts and things which it may consider desirable or necessary for realising any Secured Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and
- 9.7.5 to exercise in relation to any of the Secured Assets all the powers, authorities and things which it would be capable of exercising if it was the absolute beneficial owner of the Secured Asset.

9.8 Neither the Lender nor any Receiver shall be liable:

9.8.1 for any loss, however caused, arising out of:

9.8.1.1 any sale or other disposal of any of the Secured Assets and whether or not a better price could or might have been obtained by deferring or advancing the date of such sale or other disposal; or

9.8.1.2 the exercise of or failure to exercise any of the Lender's powers under this Deed; or

9.8.2 to account as mortgagee in possession for any of the Secured Assets.

9.9 Section 109 of the LPA 1925 shall not apply to this Deed.

## 10 **Power of attorney**

10.1 The Chargor, by way of security, irrevocably appoints the Lender (whether or not a Receiver has been appointed) and any Receiver separately, to be the attorney of the Chargor with full power to appoint substitutes and to delegate, for the Chargor in its name and on its behalf, and as its act and deed or otherwise, to execute, deliver and otherwise perfect any document, or perform any act:

- 10.1.1 that may be required of the Chargor under this Deed and that the Chargor has failed to do within 14 days of being notified by the Lender that it is required; or

- 10.1.2 that may be deemed by the attorney necessary or desirable for any purpose of this Deed (including, after the Security Interests created by or pursuant to this Deed have become enforceable, to transfer legal ownership of any of the Secured Assets).
- 10.2 Without prejudice to the generality of Clause 10.1, the Chargor covenants with the Lender and separately with any Receiver to ratify:
- 10.2.1 all transactions entered into by any attorney in the proper exercise of its powers in accordance with this Deed; and
- 10.2.2 all transactions entered into by any attorney in signing, sealing or delivering any deed, assurance or document, perfecting any Security Interest or performing any act, in each case in the proper exercise of its powers in accordance with this Deed.
- 11 Other powers exercisable by the Lender**
- 11.1 All powers of a Receiver conferred by this Deed may be exercised by the Lender after the Security Interests created by or pursuant to this Deed have become enforceable, whether as attorney of the Chargor or otherwise, and whether or not a Receiver has been appointed.
- 11.2 The Lender or any manager or officer of the Lender is irrevocably empowered to receive all receivables and claims that may be assigned to the Lender under this Deed, on payment to give an effectual discharge for them, on non-payment to take and institute if the Lender in its sole discretion so decides all steps and proceedings either in the name of the Chargor or in the name of the Lender for their recovery, and to agree accounts and to make allowances and to give time to any surety. The Chargor undertakes to ratify and confirm whatever the Lender or any manager or officer of the Lender shall do or purport to do under this Clause 11.
- 11.3 The Lender shall not be obliged to:
- 11.3.1 make any enquiry as to the nature or sufficiency of any sums received by it in respect of any receivables or claims assigned to it under this Deed or pursuant to any of the Secured Assets;
- 11.3.2 make any claim or take any other action under this Deed; or
- 11.3.3 collect any money or enforce any of its other rights under this Deed.
- 11.4 The Lender shall have no obligation under the Insurance Policies and shall have no liability in the event of failure by the Chargor to perform its obligations under the Insurance Policies.

**12 Powers of sale, leasing, accepting surrenders and severance**

12.1 Section 103 of the LPA 1925 shall not apply to this Deed, but the statutory power of sale shall, as between the Lender and a purchaser from the Lender, arise on, and be exercisable at any time after, the execution of this Deed. However, the Lender shall not exercise such power of sale until the Security Interests created by or pursuant to this Deed become enforceable, or a Receiver has been appointed, but this provision shall not affect a purchaser or require a purchaser to ask whether a demand or appointment has been made.

12.2 The statutory powers of sale, leasing and accepting surrenders exercisable by the Lender by virtue of this Deed shall be extended so as to authorise the Lender (whether in its own name or that of the Chargor) after the Security Interests created by or pursuant to this Deed have become enforceable, to grant leases of any of the Real Property on such terms and conditions as the Lender shall think fit.

12.3 The Chargor must not, in connection with the Real Property, exercise any of the powers of leasing or accepting surrenders of leases conferred by sections 99 and 100 of the LPA 1925 or by common law without the Lender's prior written consent.

12.4 The statutory power of sale exercisable by the Lender is extended so as to authorise the Lender to sever any fixtures from any Real Property and sell them separately.

**13 Protection of third parties, and consolidation of mortgages**

13.1 No person (including a purchaser) dealing with the Lender or any Receiver or any of their respective nominees or agents, shall be concerned to enquire:

13.1.1 whether the Security Interests created by or pursuant to this Deed have become enforceable;

13.1.2 whether any Receiver is validly appointed or acting within its powers;

13.1.3 whether any power exercised or purported to be exercised has become exercisable;

13.1.4 whether any of the Secured Obligations remain due;

13.1.5 as to the necessity or expediency of any stipulations or conditions subject to which the sale of any Secured Asset is made, or otherwise as to the propriety or regularity of the sale of any Secured Asset; or

13.1.6 how any money paid to the Lender or a Receiver, or their respective nominees or agents, is applied.

13.2 The restrictions on consolidation of mortgages contained in section 93 of the LPA 1925 shall not apply to this Deed.

**14 Rights of Lender or Receiver to remedy breach**

If the Chargor defaults in its performance of any of the undertakings under Clause 5 or other obligations in this Deed, the Lender or any Receiver may (but shall not be obliged to) do whatever may be necessary to rectify the default or protect the Lender's interest under this Deed (including, if applicable, entering the Real Property without becoming liable as mortgagee in possession) at the expense of the Chargor.

**15 Application of money received by the Lender or a Receiver**

15.1 Any money received under this Deed shall, subject to the discharge of any prior-ranking claims, be paid or applied in the following order of priority:

15.1.1 in payment of the remuneration of the Receiver and the costs of realisation incurred by the Lender and/or the Receiver including all costs, charges and expenses of or incidental to any exercise of any power conferred by this Deed;

15.1.2 in or towards the payment of any debts or other amounts which are by statute made payable in preference to the Secured Obligations, to the extent that such debts or other amounts are made so payable;

15.1.3 in or towards satisfaction of the Secured Obligations in such order as the Lender determines, in its absolute discretion; and

15.1.4 as to the surplus, if any, to the Chargor or to any other person or persons entitled to it.

15.2 The Lender may, in its absolute discretion on or at any time or times after demand and pending the payment to the Lender of the whole of the Secured Obligations, place and keep to the credit of an interest-bearing separate or suspense account any money received, recovered or realised by the Lender under or in connection with this Deed for so long and in such manner as the Lender may determine without any intermediate obligation on its part to apply the same or any part of such money in or towards the discharge of any of the Secured Obligations.

**16 Default interest**

If the Chargor fails to make any payment due under this Deed on its due date, interest on the unpaid amount shall accrue daily, from the date of non-payment to the date of actual payment (both before and after judgment) at the rate specified in, and in accordance with, clause 5.3 of the Facility Agreement, and the Chargor undertakes to pay any such interest to the Lender immediately on demand by the Lender.

**17 Costs, expenses and indemnity**

17.1 The Chargor must, within three Business Days of demand by the Lender, pay to the Lender all costs and expenses (including legal fees) together with VAT on such amounts incurred by the Lender arising at any time in connection with:

- 17.1.1 the negotiation, preparation, execution or perfection of this Deed (or the Security Interests created by it) including pursuant to Clauses 6 and 7; and/or
  - 17.1.2 responding to, considering or implementing any request for a consent, amendment or waiver to this Deed.
- 17.2 The Chargor must, within three Business Days of demand by the Lender, pay to the Lender on a full indemnity basis all costs, losses and liabilities (including legal fees) together with VAT thereon incurred by or on behalf of the Lender arising at any time as a result of or in connection with:
  - 17.2.1 the occurrence of an Event of Default; or
  - 17.2.2 the preservation and/or enforcement of any of the rights of the Lender under this Deed.
- 18 Payments**
- 18.1 All sums payable by the Chargor under this Deed must be paid in full without any set-off or counterclaim and in cleared funds no later than 11 am on the day in question to such account as the Lender may have specified for this purpose.
- 18.2 Where the day on or by which any payment is to be made is not a Business Day, that payment must be made on or by the preceding Business Day.
- 19 Set-off**
- 19.1 The Lender may set off any matured amount which the Borrower owes it under any Finance Document against any matured amount it owes the Borrower.
- 19.2 This Clause 19 gives to the Lender a contractual right of set-off only, and does not create any equitable charge or other Security Interest over any credit balance of the Chargor.
- 20 Transfers**
- 20.1 The Lender is entitled at any time to assign its rights or otherwise transfer all or any part of its rights or obligations under this Deed or any notice and/or acknowledgement referred to in Clauses 6.4 and 6.5 to any party to whom it has assigned its rights or otherwise transferred its rights or obligations under the Facility Agreement.
- 20.2 The Chargor is not entitled to assign its rights or otherwise transfer all or any part of its rights or obligations under this Deed.
- 20.3 The Chargor irrevocably authorises the Lender to disclose any information concerning the Chargor, this Deed or the Secured Obligations to:
  - 20.3.1 any prospective assignee or transferee referred to in Clause 20.1 and any other person considered by the Lender to be concerned in the prospective assignment or transfer; and

- 20.3.2 any person who, as part of the arrangements made in connection with any transaction referred to in Clause 20.1, requires such information after the transaction has been effected.

## **21 Notices**

- 21.1 Any notice or other communication given by a party under this Deed must be in writing and shall be sent to the party at its postal address at the top of this Deed or such other postal address as is notified to it from time to time.
- 21.2 Notices may be given and will be deemed received:
- 21.2.1 by hand: on receipt of a signature at the time of delivery; and
- 21.2.2 by pre-paid recorded signed for post: at 9.00 am on the second Business Day after posting.
- 21.3 This Clause 21 does not apply to any notice given in legal proceedings, arbitration or other dispute resolution proceedings.

## **22 Amendments**

No amendment, waiver or variation of any of the terms of this Deed will be valid or effective unless made in writing and executed by or on behalf of the Parties.

## **23 Remedies and waivers**

- 23.1 No failure, delay or omission by the Lender in exercising any right, power or remedy provided by law or under this Deed shall operate as a waiver of that right, power or remedy, nor shall it preclude or restrict any future exercise of that or any other right, power or remedy.
- 23.2 No single or partial exercise of any right, power or remedy provided by law or under this Deed shall prevent any future exercise of it or the exercise of any other right, power or remedy.
- 23.3 The Lender's rights, powers and remedies under this Deed are cumulative and they do not exclude any rights or remedies that arise by law.
- 23.4 Any release, waiver or discharge of the whole or any part of the Secured Obligations or any consent, approval or waiver given by the Lender in relation to this Deed shall only be effective for that specific purpose and for the terms and conditions upon which it was granted.

## **24 Continuing and additional security**

- 24.1 This Deed is a continuing security for the Secured Obligations in favour of the Lender and shall extend to cover the ultimate balance due at any time from the Chargor to the Lender under the Finance Documents, notwithstanding any intermediate payment or settlement of account (whether in whole or in part) or any other matter whatever.

- 24.2 The Security Interests constituted by this Deed are in addition to and do not prejudice, nor are they in any way prejudiced by, any other Security Interest, guarantee or right of set-off, combination or other rights exercisable by the Lender against the Chargor or any Security Interest, guarantee, indemnity and/or negotiable instrument now or in the future held by the Lender.
- 24.3 The Security Interests created, or intended to be created, by or pursuant to this Deed shall not be prejudiced by any unenforceability or invalidity of any other agreement or document.
- 24.4 The Lender may in its discretion grant time or other indulgence or make any other arrangement, variation or release with any person who is not a Party without prejudicing, affecting or impairing the Security Interests created by or pursuant to it, or any of the powers, rights or remedies of the Lender under this Deed or the exercise of any one of them or other obligation or liability of the Chargor to the Lender.
- 24.5 Nothing contained in this Deed shall operate so as to merge or otherwise prejudice, affect or exclude any other Security Interest which the Lender may for the time being hold for the Secured Obligations or would have but for this Deed.
- 25 Evidence of debt and redemption of security and releases**
- 25.1 A copy of any entry in the Lender's accounts shall in any legal proceedings arising out of or in connection with this Deed be prima facie evidence of the matters, transactions and accounts to which it relates.
- 25.2 A certificate by the Lender as to any sum payable to it under this Deed shall, in the absence of manifest error, be conclusive evidence of the matters, transactions and accounts to which it relates.
- 25.3 Subject to and without prejudice to Clause 26, on the irrevocable and unconditional payment and discharge in full of the Secured Obligations, the Lender shall, at the request and cost of the Chargor:
- 25.3.1 take whatever action is necessary to release and cancel the Security Interests created by or pursuant to this Deed;
  - 25.3.2 procure the reassignment to the Chargor of the property and assets assigned to the Lender pursuant to this Deed; and
  - 25.3.3 return all deeds and other documents of title delivered to the Lender under this Deed,

in each case without recourse to, or any representation or warranty by, the Lender or any of its nominees.

**26 Conditional discharge**

- 26.1 Any release, settlement or discharge between the Lender and the Chargor will be conditional upon no security, disposition or payment to the Lender by the Chargor or any other person in respect of the Secured Obligations being avoided, set aside, reduced or ordered to be refunded by virtue of any statutory provision relating to insolvency or liquidation or for any reason whatsoever.
- 26.2 If any such release, settlement or discharge is so avoided, set aside, reduced or ordered to be refunded, the liability of the Chargor under this Deed shall continue or be reinstated and the Lender shall be entitled to recover the value or amount of any such security, disposition or payment from the Chargor as if the release, settlement or discharge had not occurred.
- 26.3 Subject to Clauses 26.1 and 26.2, the Lender shall be entitled to retain this Deed after as well as before payment of all the Secured Obligations for such period as the Lender may determine.

**27 Partial invalidity**

If any provision of this Deed (or part of any provision of this Deed) is or becomes illegal, invalid or unenforceable, the legality, validity and enforceability of any other provision of this Deed (or other part of that provision of this Deed) shall not be affected.

**28 Counterparts**

This Deed may be executed in any number of separate counterparts and this has the same effect as if the signatures on those counterparts were on a single copy of this Deed.

**29 Governing law and jurisdiction**

- 29.1 This Deed and any dispute or claim arising out of, or in connection with it, its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of England and Wales.
- 29.2 The Parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claims arising out of or in connection with this Deed, its subject matter or formation (including non-contractual disputes or claims) provided that nothing contained in this Deed shall be taken to limit the right of the Lender to bring proceedings in any other jurisdiction or jurisdictions whether concurrently or not. The Chargor further agrees not to initiate any proceedings against the Lender in any jurisdiction other than the courts of England and Wales.

**This Deed** has been executed and delivered as a deed and is intended to take effect as a deed by the Parties on the date written at the beginning of this Deed.



**Schedule 1**  
**Real Property**

The leasehold property known as Flat 9, 38-40 Victoria Street, Liverpool L1 6BX as registered at the Land Registry under title number MS577140, and the leasehold property known as Flat 11, 38-40 Victoria Street, Liverpool L1 6BX as registered at the Land Registry under title number MS565730.

**Schedule 2**  
**Insurance Policies**

<i><b>Insurer</b></i>	<i><b>Policy details (type, date and duration of policy)</b></i>	<i><b>Policy number</b></i>	<i><b>Description of freehold or leasehold real property to which the insurance policy relates</b></i>
[TO BE COMPLETED]			

**Schedule 3**  
**Insurance Policies — Form of notice of assignment and acknowledgement**

**Part 1 Form of notice of assignment to insurer**

[TO BE PRINTED ON THE HEADED NOTEPAPER OF THE CHARGOR]

To: *[INSERT NAME AND ADDRESS OF THE RELEVANT INSURER]*

Date: [•]

Dear Sirs,

*[INSERT BRIEF DESCRIPTION OF THE RELEVANT INSURANCE POLICY]*

1. We refer to the real property mortgage (the **Real Property Mortgage**) dated [•] and granted by us as chargor (the **Chargor**) in favour of Westfoot Investments Limited (the **Lender**).
2. We refer to the insurance policy effected by us as the policy holder, with you as the insurer relating to *[INSERT BRIEF DESCRIPTION OF RELEVANT POLICY, PROPERTIES TO WHICH IT RELATES AND RISKS COVERED]*, with policy number [•] and any policy that may be effected to renew, substitute or replace such insurance policy (the **Insurance Policy**).
3. We give you notice that pursuant to the terms of the Real Property Mortgage, we have assigned to the Lender by way of security all of our rights and claims from time to time arising in relation to the Insurance Policy including the benefit of all claims arising and all money payable under the Insurance Policy.
4. With effect from the date of receipt of this notice, you shall:
  - 4.1 immediately inform the Lender if we default in the payment of any premium or fail to renew the Insurance Policy and, pending receipt of instructions from the Lender, keep the Lender's interest in the Insurance Policy in full force and effect for the full amount insured and for the same risks, subject to any premium for any such period of extended cover being payable by the Lender on behalf of us;
  - 4.2 advise the Lender of any proposed cancellation of the Insurance Policy at least 30 days before the cancellation is due to take effect; and
  - 4.3 if, in relation to the Insurance Policy, the insurance cover is to be reduced or any insured risks are to be restricted, advise the Lender at least 30 days before the reduction or restriction is due to take effect.
5. You must not (without the Lender's prior written consent) exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with the Insurance Policy.

6. We irrevocably and unconditionally instruct and authorise you, without requiring further approval from us, to:
  - 6.1 promptly disclose to the Lender such information relating to the Insurance Policy as the Lender may at any time request; and
  - 6.2 provide the Lender with copies of all correspondence given to or received from us under the Insurance Policy promptly after it is given or received.
7. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Lender.
8. This notice and any dispute or claim arising out of, or in connection with it, its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of England and Wales.
9. Please acknowledge safe receipt of this notice within 14 days of receipt of this notice, by signing, dating and returning the attached acknowledgement directly to the Lender at Westfoot Investments Limited, Unit 6 Acorn Business Park, Woodseats Close, Sheffield S8 0TB, (marked for the attention of The Directors) and by sending a copy to us at Signature Living Hotel Limited, Millennium House, 60 Victoria Street, Liverpool, Merseyside, L1 6JD (marked for the attention of The Directors).

Yours faithfully

.....

Director/Authorised signatory

for and on behalf of Signature Living Hotel Limited

## Part 2 Form of acknowledgement of notice of assignment from insurer

[TO BE PRINTED ON THE HEADED NOTEPAPER OF THE RELEVANT INSURER]

To: The Directors, Westfoot Investments Limited, Unit 6 Acorn Business Park, Woodseats Close, Sheffield S8 0TB

Copy to: The Directors, Signature Living Hotel Limited, Millennium House, 60 Victoria Street, Liverpool, Merseyside, L1 6JD

Date: [•]

Dear Sirs,

[INSERT BRIEF DESCRIPTION OF THE RELEVANT INSURANCE POLICY]

1. We acknowledge receipt of the notice of assignment dated [•] and sent to us by Signature Living Hotel Limited (the **Chargor**) in connection with the insurance policy effected by the Chargor as the policy holder, with us as the insurer relating to [INSERT BRIEF DESCRIPTION OF RELEVANT POLICY, THE PROPERTIES TO WHICH IT RELATES AND RISKS COVERED], with policy number [•] and any policy that may be effected to renew, substitute or replace such insurance policy (the **Insurance Policy**) (the **Notice**).
2. We hereby consent, notwithstanding any provision to the contrary in the Insurance Policy, to the assignment of the Insurance Policy under the Real Property Mortgage (as defined in the Notice).
3. In consideration of your agreement to make available certain loan facilities to the Chargor, we accept the instructions and authorisations contained in the Notice and agree to comply with the terms of the Notice.
4. We also agree that you are entitled at any time to assign your rights under this acknowledgement to any party to whom you have assigned or otherwise transferred your rights under the Real Property Mortgage.
5. We confirm that we have not received notice of any other assignment or other third party interest whatsoever of or in any of the rights, title or interest of the Chargor under the Insurance Policy.
6. This acknowledgement and any dispute or claim arising out of, or in connection with it, its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of England and Wales.

Yours faithfully


.....

Director/Authorised signatory

for and on behalf of [INSERT NAME OF THE INSURER]

**EXECUTION PAGE**

Executed as a deed by Signature Living )  
Hotel Limited acting by a director in the )  
presence of:- )

.....  
Director

Witness signature: .....

Witness name: .....

Witness address: .....

.....

.....

Laura Harrild  
Solicitor  
MSB Solicitors  
1st Floor  
No 4 St Pauls Square  
Liverpool  
L3 9SJ

Executed as a deed by Westfoot Investments )  
Limited acting by David Kernahan, a director, )  
in the presence of:- )

.....  
Director

Witness signature: .....

Witness name: .....

Witness address: .....

.....

.....