



**Registration of a Charge**

Company Name: **ACLAND THREE LTD**

Company Number: **14812634**



XC837EBF

Received for filing in Electronic Format on the: **19/07/2023**

**Details of Charge**

Date of creation: **17/07/2023**

Charge code: **1481 2634 0001**

Persons entitled: **FERNSOFT LIMITED**

Brief description: **BY WAY OF LEGAL MORTGAGE THE FREEHOLD PROPERTY KNOWN AS OR BEING STAINCLIFFE HOTEL, THE CLIFF, SEATON CAREW, HARTLEPOOL TS25 1AB WITH REGISTERED TITLE NUMBER CE113617. FOR FURTHER DETAILS PLEASE REFER TO THE INSTRUMENT.**

**Contains fixed charge(s).**

**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 SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **WOMBLE BOND DICKINSON (UK) LLP**



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

Company number: 14812634

Charge code: 1481 2634 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 17th July 2023 and created by ACLAND THREE LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th July 2023 .

Given at Companies House, Cardiff on 20th July 2023

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**

17 July

**2023**

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**Fernsoft Limited**

and

**Acland Three Ltd**

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## **LEGAL CHARGE**

**Relating to: Staincliffe Hotel, The Cliff, Seaton Carew, Hartlepool TS25 1AB**

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**THIS LEGAL CHARGE** is made the 17 day of July 2023

**BETWEEN:**

- (1) **Fernsoft Limited**, incorporated in England with company registration number 02729256, whose registered office is at 9-13 Scarborough St. Hartlepool England TS24 (the **Lender**)  
  
and
- (2) **Acland Three Ltd**, incorporated in England with company registration number 14812634, whose registered office is at Maritime House, Harbour Walk, Hartlepool, England, TS24 0UX (the **Chargor**).

**IT IS AGREED** as follows:

**1. Definitions and interpretation**

**1.1 Definitions**

In this Deed:

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

**Authorisation** means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

**Business Day** means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

**Charged Assets** means the Property and all other assets of the Chargor which from time to time are, or are expressed to be, the subject of any Security created or to be created by this Deed;

**Dangerous Substance** means any radioactive emissions and any natural or artificial substance (whether in solid or liquid form or in the form of a gas or vapour and whether alone or in combination with any other substance) capable of causing harm to man or any other living organism or damaging the environment or public health or welfare, including, but not limited to, any controlled, special, hazardous, toxic, radioactive or dangerous waste;

**Default Rate** means the default rate or rates of interest payable from time to time pursuant to the terms of any Loan Agreement, and where any sum referred to in this legal charge on which interest is or becomes due cannot be directly attributed to a specific Loan Agreement the Default Rate applicable shall be the highest rate applicable to any Loan Agreement for which this Deed affords Security;

**Environmental Law** means any law, direction, regulation, code of practice, circular, guidance notice or the like (whether in the United Kingdom or elsewhere) concerning the protection of human health or the environment or the conditions of the work place or the generation, transportation, storage, treatment or disposal of Dangerous Substances which is binding on the Chargor;

**Environmental Licence** means any permit, licence, authorisation, consent or other approval required by any Environmental Law;

**Event of Default** means any Event of Default as defined in the Loan Agreement;

**Fixtures** means all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery on the Property;

**Insured Risks** means such risks as the Lender may from time to time approve in writing;

**Loan Agreement** means any loan agreement to which the Lender and the Chargor are party for the provision of loan facilities whether subsisting at the date of this legal charge or from time to time entered into;

**Planning Acts** means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004 and the Planning Act 2008 together with all other statutes now or after the date of this Deed governing or controlling the use or development of land and property;

**Property** means the freehold, leasehold or other immovable property details of which are specified in Schedule 1 (*Details of the Property*);

**Receiver** means a receiver or receiver appointed by the Lender under this Deed;

**Rental Income** means the gross rents, licence fees and other moneys receivable now or after the date of this Deed by the Chargor under or arising out of any lease, agreement for lease, tenancy or licence of the Property or otherwise derived by the Chargor from the Property or paid to or received by the Chargor in respect of the Property;

**Secured Obligations** means all present and future obligations and liabilities of the Chargor to the Lender whether actual or contingent and whether owed or incurred alone or jointly and/or severally with another and as principal or as surety or in any other capacity or of any nature;

**Security** means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

**Security Period** means the period beginning on the date of this Deed and ending on the date on which the Lender is satisfied that all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and

**VAT** means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

## **1.2 Construction**

(a) Unless a contrary indication appears, any reference in this Deed to:

- (i) **assets** includes present and future properties, revenues and rights of every description;
- (ii) the **Charged Assets**, the **Property** or the **Secured Obligations** includes a reference to any part of them or it;

- (iii) the **Chargor**, the **Lender**, or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
  - (iv) this **Deed** or any other agreement or instrument is a reference to this Deed or that other agreement or instrument as amended, novated, supplemented, extended or restated;
  - (v) freehold, leasehold or other immovable property includes all buildings, erections and Fixtures on that property and the proceeds of sale of that property;
  - (vi) a **person** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
  - (vii) a provision of law is a reference to that provision as amended or re-enacted and includes any subordinate legislation;
  - (viii) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (ix) **this Security** means any Security created or constituted by this Deed; and
  - (x) words in the singular include the plural and vice versa and words in one gender include any other gender.
- (b) Headings are for ease of reference only.
  - (c) Any covenant or undertaking by the Chargor under this Deed is given to or made in favour of the Lender and remains in force during the Security Period.
  - (d) The terms of any other agreement and of any side letter between the parties to this Deed are incorporated in this Deed to the extent required for any contract for the purported disposition of any freehold, leasehold or other immovable 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.
  - (e) It is intended that this document take effect as a deed notwithstanding the fact that (if executed by the Lender) the Lender may only execute this document under hand.

### 1.3 Third party rights

- (a) Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 (the **Third Parties Act**) to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any provision of this Deed, the consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time.

#### **1.4 Joint and several liability**

Where any party to this Deed comprises two or more persons, obligations, agreements and representations expressed or implied to be made by or with that party are deemed to be made by or with the persons comprising that party jointly and severally.

#### **2. Covenant to pay**

The Chargor shall pay or discharge all the Secured Obligations when due to the Lender, whether at maturity, on acceleration, on demand or otherwise.

#### **3. Security**

##### **3.1 General**

All the Security created under this Deed is created with full title guarantee in favour of the Lender as continuing security for the payment or discharge of the Secured Obligations.

##### **3.2 Legal mortgage**

The Chargor charges the Property by way of legal mortgage.

##### **3.3 Plant and machinery**

The Chargor charges by way of fixed charge all plant and machinery now or at any time placed on or used in or about the Property and owned by the Chargor and its interest in any plant or machinery now or at any time in its possession and placed on or used in or about the Property.

##### **3.4 Goodwill**

The Chargor charges by way of fixed charge all present and future goodwill of any business carried on by the Chargor at the Property.

##### **3.5 Assignment**

The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption:

- (a) the Rental Income and the benefit of all rights and claims of the Chargor now or at any time against tenants or occupiers of the Property or guarantors or other sureties of any such tenant or occupier;
- (b) the benefit of all rights and claims of the Chargor now or at any time against managing agents, professional advisors or contractors in relation to the Property and any business carried on at the Property, and against manufacturers, suppliers and installers of Fixtures or other items on the Property or other persons under contract or under a duty to the Chargor in relation to the Property;
- (c) the benefit of all other contracts, deeds, undertakings, agreements, warranties, securities, covenants, guarantees, bonds or indemnities of any nature now or at any time relating to the Property or the other Charged Assets (including, but not limited to, any rent deposit or other sum paid as security or paid under any contract for the sale of the Property or option agreement relating to the Property), and all rights and claims to compensation of any nature paid in relation to the Property; and



- (d) the benefit of all insurance policies and contracts of insurance now or at any time relating to the Property or the other Charged Assets and all moneys payable under any such policies and contracts.

#### **4. Restrictions on dealing**

##### **4.1 Negative pledge**

The Chargor shall not without the prior written consent of the Lender create or permit to subsist any Security on or over the Property or any other Charged Asset (save any Security entered into in favour of the Lender pursuant to this Deed).

##### **4.2 Disposals**

- (a) The Chargor shall not without the prior written consent of the Lender:
  - (i) enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, transfer or otherwise dispose of the Property, nor enter into any agreement or option for any of the same to occur;
  - (ii) grant or agree to grant any lease, underlease or tenancy of the Property or any other Charged Assets or exercise the Chargor's statutory and any other powers of leasing or of accepting or agreeing to accept surrenders of leases of the Property or of any other Charged Asset; or
  - (iii) part with or share possession or occupation of the Property or grant any licence to occupy the Property or agree to do any such thing.
- (b) Paragraph (a) above does not apply to any sale, lease, transfer or other disposal expressly permitted by the terms of this Deed.

##### **4.3 HM Land Registry**

The Chargor applies to the Chief Land Registrar for a restriction in the following terms to be entered on the Register of Title relating to the Property:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated 17 July 2023 in favour of FERNSOFT Limited referred to in the charges register or their conveyancer."

#### **5. Representations and warranties**

The Chargor makes the representations and warranties set out in this Clause 5 to the Lender.

##### **5.1 Status**

- (a) It is a corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.
- (b) It has the power to own its assets and (where applicable) carry on its business as it is being conducted.

## **5.2 Binding obligations**

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

## **5.3 Non-conflict with other obligations**

The entry into and performance by it of this Deed and the granting of the Security which this Deed creates or purports to create do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets.

## **5.4 Power and authority**

- (a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed.
- (b) No limit on its powers will be exceeded as a result of the granting of the Security contemplated by this Deed.

## **5.5 Validity and admissibility in evidence**

All Authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed; and
- (b) to make this Deed admissible in evidence in its jurisdiction of incorporation,

have been obtained or effected and are in full force and effect.

## **5.6 No Default**

No Event of Default is continuing or might reasonably be expected to result from the execution of this Deed.

## **5.7 Title to Property**

- (a) It is the sole legal and beneficial owner of the Property.
- (b) It has a good and marketable title to the Property, in each case free from any Security (other than in favour of the Lender).

## **5.8 Security**

This Deed creates the Security it purports to create and that Security is valid and effective.

## **5.9 No breach of law**

There is no breach of any law or regulation which materially and adversely affects the value of the Charged Assets.

#### **5.10 Covenants and other rights**

There are no covenants, agreements, reservations, conditions, interests, rights or other matters of any nature which materially and adversely affect the Charged Assets.

#### **5.11 Necessary facilities**

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

#### **5.12 Environmental Law**

- (a) It has obtained all requisite Environmental Licences applicable to it and has at all times complied in all material respects with the terms of those Environmental Licences and all other applicable Environmental Law.
- (b) No Dangerous Substance has (to the best of its knowledge and belief, having made due and careful enquiry) been used, disposed of, generated, stored, transported, dumped, deposited, buried or emitted at, on, from or under the Property in circumstances where this results in a liability or potential liability on the Chargor.

#### **5.13 Repair**

All the Charged Assets of a repairable nature are in good and substantial repair.

#### **5.14 Permitted use**

The present use of the Property is a permitted use within the provisions of the Planning Acts.

#### **5.15 Adverse claims**

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

#### **5.16 Repetition**

The representations and warranties set out in this Clause 5:

- (a) are made on the date of this Deed; and
- (b) are deemed to be repeated by the Chargor on each date during the Security Period with reference to the facts and circumstances then existing.

### **6. Insurance**

#### **6.1 Cover**

The Chargor shall keep the Property and any other Charged Asset of an insurable nature insured against loss or damage by the Insured Risks to the full reinstatement value from time to time (including sums in respect of any loss of rent and any professional fees which may be incurred in or about repair, rebuilding or reinstatement), in such name or names, and with such underwriters as the Lender may in each case and from time to time approve in writing.

**6.2 Premiums and policies**

The Chargor shall promptly pay all premiums and do all other things necessary to keep all of the insurance policies in force and if required by the Lender will deliver to the Lender the policy or policies of all such insurances and evidence satisfactory to the Lender of payment of such premiums.

**6.3 Proceeds**

At the Lender's option, all money received under any insurance of the Charged Assets shall be applied in making good the relevant loss or damage (any deficiency being made good by the Chargor) or in or towards discharge of the Secured Obligations. Any such money received by the Chargor shall be held in trust for the Lender.

**6.4 Default**

If the Chargor fails to comply with any of the provisions of this Clause 6 the Lender may (but is not obliged to) effect insurance as specified in Clause 6.1 (*Cover*) (without becoming liable to account as mortgagee in possession) at the expense of the Chargor. If the Lender effects any insurance pursuant to this Clause 6.4, the Chargor will on demand repay to the Lender all payments made by the Lender for that purpose and will pay interest at the Default Rate from the date of payment until repayment of such monies (such interest to be payable in the same manner as interest on the principal sum advanced by the Loan Agreement) and all such money and interest shall be secured as part of the Secured Obligations.

**6.5 Leasehold Property**

If the Property is held by the Chargor under a lease, the Lender shall not require the Chargor to effect separate insurance so long as the insurance effected pursuant to the lease otherwise complies with the provisions of this Clause 6 and is on terms reasonably satisfactory to the Lender.

**7. Undertakings**

The undertakings in this Clause 7 remain in force throughout the Security Period.

**7.1 Covenant to perform**

The Chargor shall at all times comply with the terms (express or implied) of this Deed and of all contracts relating to the Secured Obligations.

**7.2 Information**

The Chargor shall:

- (a) provide the Lender with all such documents and information about the Charged Assets as the Lender may from time to time require; and
- (b) promptly deliver to the Lender a copy of any notice or proceedings served by any person on the Chargor relating to the Charged Assets or alleging any breach of any obligation relating to the Charged Assets.

### 7.3 Outgoings

The Chargor shall punctually pay or cause to be paid when due and shall indemnify the Lender and any Receiver against all rents, rates, taxes, liabilities, duties, assessments and other outgoings payable in respect of or by the owner or occupier of the Charged Assets.

### 7.4 Repair

The Chargor shall ensure that all buildings, plant, machinery and Fixtures on the Property are in and are maintained in:

- (a) good and substantial repair and condition and, as appropriate, in good working order; and
- (b) such repair, condition and order as to enable them to be let in accordance with all applicable laws and regulations; for this purpose, a law or regulation will be regarded as applicable if it is either:
  - (i) in force; or
  - (ii) it is expected to come into force and a prudent property owner in the same business as the Chargor would ensure that its buildings, plant, machinery, fixtures and fittings were in such condition, repair and order in anticipation of that law or regulation coming into force.

in each case replacing, rebuilding and renewing the same when necessary. Without prejudice to Clause 7.16 (*Power to remedy*), if the Chargor fails to carry out any repair to the satisfaction of the Lender, the Lender shall be entitled, without liability to the Chargor, to repair and maintain the Property and to carry out works of reinstatement at the cost of the Chargor and for this purpose shall have the rights of entry set out in Clause 7.16 (*Power to remedy*).

### 7.5 Alterations

The Chargor shall not without the prior written consent of the Lender:

- (a) demolish, pull down or remove any building, installation or structure on the Property or the Fixtures (except in connection with the renewal or replacement of any Fixture), or permit the same to occur;
- (b) erect any building, installation or structure on the Property or make any material alteration to the Property, or permit any of the same to occur;
- (c) change the use of the Property or permit such use to be changed; or
- (d) commit any waste upon, or destroy or injure in any manner, or by any means lessen the value of, the Property, or permit any of the same to occur.

### 7.6 Development

Without prejudice to Clause 7.5 (*Alterations*), where at any time during the Security Period the Property is to be developed or is in the course of development the Chargor shall:

- (a) produce all plans and specifications in relation to such development to the Lender for written approval and shall not amend any such plan or specification in any manner

which might diminish the finished value (or increase the cost to a material extent) without the prior written consent of the Lender; and

- (b) proceed diligently and to the satisfaction of the Lender and any competent authority with such development in all respects in conformity with the relevant planning and bye-law consents.

## **7.7 Planning and compensation**

The Chargor shall:

- (a) comply in all respects with the Planning Acts and all consents, licences, permissions or conditions granted or imposed by or under the Planning Acts;
- (b) not enter into or agree to enter into any agreement under section 106 of the Town and Country Planning Act 1990 or section 33 of the Local Government (Miscellaneous Provisions) Act 1982 or section 38 of the Highways Act 1980 or any similar provision without the prior written consent of the Lender;
- (c) comply with the requirements of any valid enforcement notice or other notice or order issued under the Planning Acts within such time as it may specify (and otherwise within such period as the Lender may reasonably specify); and
- (d) pay to the Lender in reduction of the Secured Obligations any compensation received as a result of any notice or order referred to in paragraph (c) above or in connection with any compulsory acquisition of the Property.

## **7.8 Compliance with leases and covenants**

The Chargor shall:

- (a) observe and perform all the terms on its part contained in any lease, agreement for lease or tenancy agreement under which the Property is held by the Chargor and enforce the due observance and performance of all obligations of all other parties to such lease, agreement for lease or tenancy agreement;
- (b) not do or knowingly permit to be done any act as a result of which any such lease, agreement for lease or tenancy agreement may become liable to forfeiture or otherwise be determined;
- (c) give immediate written notice to the Lender if the Chargor receives any notice served under section 146 of the Act, or if any proceedings are commenced for forfeiture of any such lease, agreement for lease or tenancy agreement or any superior lease of the Property, or if the landlord or any superior landlord attempts to re-enter under the provisions of the lease, agreement for lease or tenancy agreement or any superior lease, and at the request of the Lender but at the expense of the Chargor take such steps as the Lender may in its absolute discretion require; and
- (d) duly and punctually perform and observe and indemnify the Lender for any breach of any covenants and stipulations (restrictive or otherwise) affecting the Property or its use or enjoyment.

## **7.9 Occupational leases**

When the Property is subject to any lease, agreement for lease, tenancy or occupational licence (referred to in this Clause 7.9 as an **occupational lease**) the Chargor shall:

- (a) enforce the due performance and observance of all obligations of all other parties to any occupational lease;
- (b) not waive, release or vary any of the terms of any occupational lease, or accept the surrender of any occupational lease, or exercise any power or commence any proceedings to forfeit or otherwise to determine any occupational lease or to re-enter the relevant premises, or extend any occupational lease, or conclude any rent review under any occupational lease, or agree to do any such thing, in each case without the prior written consent of the Lender, which consent is not to be unreasonably withheld or delayed in circumstances in which the Chargor may not unreasonably withhold or delay its consent; and
- (c) not serve any notice on any former tenant under any occupational lease under section 17(2) of the Landlord and Tenant (Covenants) Act 1995 or on any guarantor of any such former tenant under section 17(3) of that Act without the prior consent of the Lender (such consent not to be unreasonably withheld or delayed).

## **7.10 Environmental matters**

The Chargor shall:

- (a) not cause, permit or suffer any Dangerous Substance to be brought upon, treated, kept, stored, disposed of, discharged, released, processed, produced, manufactured, generated, refined or used upon, above or beneath the Property;
- (b) comply in all material respects with (i) the terms and conditions of all Environmental Licences applicable to it and (ii) all other applicable Environmental Law; and
- (c) promptly upon receipt of the same, notify the Lender in writing of any claim, notice or other communication served on it in respect of any alleged breach of any Environmental Law.

## **7.11 No prejudicial action**

The Chargor shall not do or cause or permit to be done anything which may depreciate, jeopardise or otherwise prejudice the value to the Lender of the Charged Assets.

## **7.12 No overriding interest**

The Chargor shall not without the prior written consent of the Lender create or permit to arise or to subsist any unregistered interest over the Property which overrides first registration or which overrides a registered disposition under Schedule 1 or Schedule 3 respectively of the Land Registration Act 2002 nor permit any person to become entitled to any proprietary right or interest which might affect the value of the Property or other Charged Assets.

## **7.13 Compliance with applicable laws and regulations**

The Chargor shall perform all its obligations under any law or regulation of any competent authority in any way related to or affecting any Charged Asset or its use and enjoyment.

**7.14 Notices**

The Chargor shall promptly after the receipt by the Chargor of any requirement, application, order, proposal or notice served or given by any public or local or any other authority with respect to or having specific application to the Property or to the area in which the Property is situated, deliver a copy of the same to the Lender and shall either:

- (a) comply promptly with the terms of the relevant requirement or other such matter; or
- (b) if the Lender so requires or approves and at the Chargor's own cost, make such objections or representations against or in respect of the relevant requirement or other such matter as the Lender may reasonably require.

**7.15 Access**

The Chargor shall permit (and shall procure that any tenant of the Property permits) the Lender and any person nominated by it at all reasonable times during business hours to enter upon any part of the Property and view the state of it.

**7.16 Power to remedy**

In the case of default by the Chargor in performing any obligation affecting the Property, the Chargor shall permit, subject to the terms of any lease, the Lender or its agents and contractors:

- (a) to enter on the Property for the purposes set out in paragraphs (b) and/or (c) below; and
- (b) to comply with or object to any notice served on the Chargor in respect of the Property; and
- (c) at the cost of the Chargor to take any action as the Lender may consider necessary or desirable to prevent or remedy any breach of any such obligation or to comply with or object to any such notice.

**8. When Security becomes enforceable****8.1 Timing**

This Security shall become immediately enforceable if:

- (a) an Event of Default occurs; or
- (b) the Chargor requests the Lender to exercise any of its powers under this Deed.

**8.2 Enforcement**

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

**9. Enforcement of Security****9.1 Powers**

- (a) The Lender is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees, except that section 103 of the Act does not apply.



- (b) In addition, to the fullest extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law upon a Receiver of the Charged Assets may after this Security becomes enforceable be exercised by the Lender in relation to any Charged Asset without first appointing a Receiver or notwithstanding the appointment of a Receiver.

## **9.2 Consideration on a disposal**

The consideration for any sale or other disposal of the Charged Assets by the Lender or any Receiver in the exercise of their respective powers may (in addition to that permitted under the Act on a sale by the Lender) consist of cash, shares, securities, debentures or other valuable consideration, may fluctuate according to or dependent upon profit or turnover or be determined by a third party, and may be payable in a lump sum or in instalments (with or without Security).

## **9.3 Leasing**

The statutory powers of leasing conferred on the Lender are extended so as to authorise the Lender to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender may think fit and without the need to comply with any provision of sections 99 or 100 of the Act, and may be exercised by the Lender at any time after this Security has become enforceable.

## **9.4 No liability as mortgagee in possession**

Neither the Lender nor any Receiver shall be liable, by reason of entering into possession of the Charged Assets, to account as mortgagee in possession or for any default or omission for which a mortgagee in possession might be liable. If the Lender or any Receiver shall take possession of the Charged Assets it or he may at any time go out of possession. The Chargor will remain liable to observe and perform all conditions and obligations relating to the Charged Assets.

## **9.5 Protection of third parties**

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

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

## **9.6 Redemption of prior mortgages**

At any time after this Security has become enforceable, the Lender may redeem any prior Security against any Charged Asset, and/or procure the transfer of that Security to itself, and/or settle and pass the accounts of the prior mortgagee, chargee or encumbrancer. Any accounts so settled and passed shall be conclusive and binding on the Chargor. All principal moneys, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargor to the Lender on demand and form part of the Secured Obligations.

## **9.7 No liability on exercise of powers**

Neither the Lender nor its agents, managers, officers, employees, delegates and advisers nor any Receiver shall be liable to any claim, demand, liability, loss, damage, cost or expense incurred or arising in connection with the exercise or purported exercise of any right, power or discretion under this Deed in the absence of gross negligence or wilful misconduct.

## **9.8 General**

- (a) The power of sale conferred by section 101 of the Act and the other powers conferred on mortgagees and Receivers by this Deed or by law (as varied or extended by this Deed) shall arise on the execution of this Deed by the Chargor and shall be immediately exercisable at any time after this Security has become enforceable.
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) For the purposes of all powers implied by statute or arising by law, the Secured Obligations are deemed to have become due on the date of this Deed.
- (d) The power to appoint a Receiver pursuant to Clause 10.1 (*Appointment*) is in addition to the power to appoint a Receiver under section 101(1)(iii) of the Act. Section 109(1) of the Act does not apply to this Deed.

## **9.9 Disposal of chattels**

The Lender or any Receiver may at any time after this Security has become enforceable remove or dispose of any chattels on the Property as agent for the Chargor and, without prejudice to an obligation by the Lender and any Receiver to account for the net proceeds of any sale of such chattels, the Chargor shall indemnify the Lender and any Receiver against any liability arising from such disposal.

## **10. Receiver**

### **10.1 Appointment**

- (a) At any time after this Security becomes enforceable, or if the Chargor so requests the Lender in writing at any time, the Lender may without further notice appoint by deed or in writing under its hand any one or more persons to be a Receiver of all or any part of the Charged Assets.
- (b) If a Receiver is appointed of part of the Charged Assets the Lender may subsequently extend the appointment to all or any other part of the Charged Assets or appoint another Receiver of any other part of the Charged Assets.

**10.2 Removal**

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

- (a) remove any Receiver appointed by it; and
- (b) whenever it deems it expedient, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

**10.3 Remuneration**

The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the Law of Property Act 1925 and the remuneration of the Receiver shall be a debt secured by this Deed which shall be due and payable immediately upon its being paid by the Lender.

**10.4 Payments to the Lender**

Only monies actually paid by a Receiver to the Lender in satisfaction or discharge of the Secured Obligations shall be capable of being applied by the Lender for that purpose.

**10.5 Agent of the Chargor**

Each Receiver is deemed to be the agent of the Chargor for all purposes and accordingly is deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone shall be responsible for his remuneration and for his contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him and the Lender shall not incur any liability (either to the Chargor or to any other person) by reason of the Lender making his appointment as a Receiver or for any other reason.

**10.6 Receivers of the same assets**

If at any time any two or more persons appointed by the Lender hold office as Receivers of the same assets or income, each of them may (unless otherwise stated in the instrument(s) appointing them) exercise all powers and discretions conferred on Receivers by this Deed individually and to the exclusion of the other or others of them.

**11. Powers of Receiver****11.1 General**

Every Receiver has (subject to any limitation or restriction expressed in the instrument appointing him):

- (a) all the rights, powers and discretions, conferred on a receiver appointed under the Act and on a receiver or an administrative receiver under the Insolvency Act 1986, or otherwise conferred by any law; and
- (b) all the rights, powers and discretions set out below in this Clause 11.

**11.2 Comply with undertakings**

A Receiver may comply with and perform all of the undertakings and covenants of the Chargor contained in this Deed.

**11.3 Possession**

A Receiver may take possession of, collect and get in the Property and the other Charged Assets, including (but not limited to) all rents and other income.

**11.4 Repairs**

A Receiver may repair, decorate, maintain, furnish, alter or improve the Property and/or the other Charged Assets.

**11.5 Building operations**

A Receiver may commence and/or complete any building operations or development on the Property and apply for and obtain any planning permissions, building regulation approvals and any other permissions, consents or licences, and may appoint and enter into contracts with building and engineering contractors or other contractors or professional advisors, in each such case as he may think fit.

**11.6 Borrow money**

For the purpose of exercising any of the rights, powers, authorities and discretions conferred on him by or pursuant to this Deed or for any other purpose a Receiver may raise or borrow money from the Lender or others either unsecured or on the security of the Charged Assets (either in priority to this Security or otherwise) and generally on such terms as he may think fit. No person lending that money shall be concerned as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed.

**11.7 Services to tenants**

A Receiver may provide such facilities and services for tenants and other occupiers and generally manage the Property and/or the other Charged Assets in such a manner as he may think fit.

**11.8 Leasehold Property**

If the Property is leasehold a Receiver may vary the terms of or surrender the lease and/or take a new lease of the Property on such terms as he may think fit. Any such new lease shall automatically be charged to the Lender on the terms of this Deed so far as applicable, but a Receiver shall if requested by the Lender execute a formal legal charge over such new lease in favour of the Lender in such form as the Lender may require.

**11.9 Power of sale**

A Receiver may sell, transfer, assign, exchange, or otherwise convert into money or realise or dispose of the Property and/or the other Charged Assets or concur in any of the same, either by public auction or private contract or in any other manner, and generally in such manner and on such terms and conditions and for such consideration as he may think fit. Fixtures, other than landlord's fixtures (where the Property is leasehold) may, if the Chargor is a company, be severed and sold separately from the Property without the consent of the Chargor.

**11.10 Leases and other rights**

A Receiver may:

- (a) let the Property for any term and at any rent, with or without a premium, and otherwise on such terms and conditions as he may think fit;
- (b) grant any easement or other right or any licence of or over the Property, on such terms and conditions as he may think fit;
- (c) vary, terminate, renew, or accept surrenders of leases, tenancies or licences of or rights over the Property, with or without a premium to or by any tenant or other person, and generally in such manner and on such terms as he may think fit;
- (d) grant any consent or licence, serve any notice, and initiate and/or agree any rent review, in relation to any lease or tenancy of the Property; and
- (e) grant any other rights over the Property as he may think fit.

#### **11.11 Transfers and other disposals**

A Receiver may carry any sale, letting or other disposal into effect by transferring, letting or otherwise making such disposal in the name of the Chargor and for that purpose may give valid receipts for all moneys and enter into covenants and contractual obligations in the name of and so as to bind the Chargor.

#### **11.12 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to the Charged Assets as he may think fit.

#### **11.13 Obligations in relation to the Charged Assets**

A Receiver may enter into, perform, repudiate, rescind, rectify or vary contracts, bonds, covenants, commitments, guarantees, indemnities and similar matters in relation to the Charged Assets and may make all payments needed to effect, maintain, perform or satisfy any of the same.

#### **11.14 Settle disputes**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor or relating in any way to the Property and/or to the other Charged Assets or to any lease or tenancy of the Property or to any covenant, condition or restriction affecting to the Property.

#### **11.15 Arrangements or compromises**

A Receiver may make any arrangement or compromise, allow time for payment or enter into, abandon, cancel or disregard any contracts or rights as he may think expedient.

#### **11.16 Insurance**

A Receiver may effect such insurances of or in connection with the Property and/or the other Charged Assets as he may think fit.

#### **11.17 Employees**

A Receiver may engage or employ or dismiss managers, officers, contractors, agents, servants, workmen and others for any of the purposes referred to in this Clause 11 upon such terms as to remuneration or otherwise as he may think fit.

#### **11.18 Prior Security**

A Receiver may redeem any prior Security on such terms as he may think fit.

#### **11.19 Additional land**

A Receiver may acquire additional land or any interest or right in or in relation to land for the benefit of the Property.

#### **11.20 Act in the Chargor's name**

A Receiver may do all acts and execute in the name and on behalf of the Chargor, any deed, receipt or other document.

#### **11.21 VAT**

A Receiver may make such election for VAT purposes as he may think fit, and may make such registrations and applications for VAT purposes as he may think fit, and may do so in, or use the Chargor's name, for any such purpose.

#### **11.22 Other acts**

A Receiver may:

- (a) do all other acts and things which he may consider to be necessary or desirable for realising any Charged Asset or incidental or conducive to any of the rights, powers and discretions conferred on a Receiver by this Deed; and
- (b) exercise in relation to the Charged Assets all powers, authorities and things which he could exercise if he were the absolute beneficial owner of the Charged Assets.

### **12. Application of proceeds**

#### **12.1 Order of application**

Subject to Clause 12.2 (*Prior claims*), the proceeds of enforcement of this Security, and any amount received by the Lender or any Receiver under this Deed shall be applied in the following order:

- (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 its powers and of all outgoings paid by the receiver (including preferential debts and sums due under any prior security);
- (b) in payment to the receiver of such remuneration as may be agreed between the receiver and the Lender at, or at any time and from time to time after, its appointment;
- (c) in or towards satisfaction of the amount owing under this legal charge including any sums to which the Lender may be entitled in such order and manner as the Lender determines; and

(d) the surplus (if any) being paid to the Chargor or other persons entitled to it.

## **12.2 Prior claims**

This Clause 12 is subject to the payment of any claims having priority over this Security and does not prejudice the right of the Lender to recover any shortfall from the Chargor.

## **13. Expenses and payments**

### **13.1 Initial expenses**

The Chargor shall promptly on demand pay the Lender the amount of all costs and expenses (including legal fees) reasonably incurred by the Lender in connection with the negotiation, preparation, printing, execution, registration and perfection of this Deed.

### **13.2 Enforcement and preservation costs**

The Chargor shall, within three Business Days of demand, pay to the Lender the amount of all costs and expenses (including legal fees) incurred in connection with the enforcement of, or the preservation of any rights under, this Deed by the Lender or a Receiver, or by any attorney, manager, agent or other person appointed by the Lender, or a Receiver under this Deed and of any proceedings instituted by or against the Lender, the Receiver or by any such Receiver, attorney, manager, agent or other person as a consequence of taking or holding this Security.

### **13.3 Indemnity**

The Chargor shall indemnify the Lender (whether or not acting as mortgagee in possession) and a Receiver, and any attorney, manager, agent or other person appointed by the Lender or a Receiver under this Deed against all liabilities, claims and expenses whether arising out of contract or in tort or in any other way (including, but not limited to, any liability of the Lender or any such Receiver or other person under any Environmental Law) which may at any time be incurred by any of them (or by any person for whom they may be liable) in connection with this Deed or for anything done or omitted to be done in the exercise or purported exercise of their powers pursuant to this Deed.

### **13.4 Stamp taxes**

The Chargor shall pay and, within three Business Days of demand, indemnify the Lender against any cost, loss or liability the Lender incurs in relation to all stamp duty, stamp duty land tax, registration and other similar taxes payable in respect of this Deed.

### **13.5 Value Added Tax**

Where this Deed requires the Chargor to reimburse the Lender for any costs or expenses the Chargor shall at the same time pay and indemnify the Lender against all VAT incurred by the Lender in respect of the costs and expenses to the extent that the Lender determines that it is not entitled to credit or repayment of the VAT.

### **13.6 No set-off**

All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

**14. Interest on overdue amounts**

Any overdue amounts secured by this Deed shall carry interest at the Default Rate and such interest shall accrue on a day-to-day basis to the date of repayment in full and, if unpaid, shall be compounded monthly. Interest shall continue to be charged and compounded on this basis after as well as before any demand or judgment.

**15. Delegation**

The Lender and (to the fullest extent permitted by law) any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by the Lender or any Receiver under this Deed. Any such delegation may be made upon the terms (including power to sub-delegate) and subject to any regulations which the Lender or any Receiver (as the case may be) may think fit. Neither the Lender nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate other than in the event of such delegate or sub-delegate's wilful default or gross negligence.

**16. Further assurances**

The Chargor shall, at its own expense, take whatever action the Lender or a Receiver may require for:

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

including, but not limited to, the execution and delivery of any transfer, conveyance, assignment or assurance of any asset whether to any other person or to the Lender or to its nominees, and the giving of any notice, order or direction and the making of any registration, which in any such case, the Lender or a Receiver may think expedient.

**17. Power of attorney**

The Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any of their delegates or sub-delegates to be its attorney in its name and on its behalf to take any action which the Chargor is or may be obliged to take under or pursuant to this Deed (including, but not limited to, under this Clause) or otherwise which the Lender or any Receiver in its or his discretion considers to be requisite or appropriate in order to carry any sale, lease or other disposal into effect, or to convey or transfer any legal estate or other interest in land or property, or to get in the Charged Assets, or generally to enable the Lender or a Receiver to exercise the respective powers conferred on them by or pursuant to this Deed or by law. The Chargor ratifies and confirms whatever any attorney properly does or purports to do pursuant to its appointment under this Clause.



**18. Release****18.1 Release of Charged Assets**

Upon the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Chargor, take whatever action is necessary to release the Charged Assets from this Security.

**18.2 Releases conditional**

Any settlement release or discharge under this Deed between the Lender and the Chargor will be conditional upon no security or payment to the Lender by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, winding-up, administration or insolvency for the time being in force, and if such condition is not satisfied, the Lender will be entitled to recover from the Chargor on demand the value of such security or the amount of any such payment as if such settlement or discharge had not occurred and/or to enforce this Security to the full extent of the Secured Obligations.

**19. Benefit of this Deed****19.1 Successors in title**

This Deed shall bind and enure to the benefit of the Chargor and the Lender and their respective successors.

**19.2 Assignment by the Lender**

The Lender may assign or transfer all or any part of its rights, and/or obligations under this Deed without the consent of the Chargor. The Chargor shall enter into any documents specified by the Lender to be necessary to give effect to such assignment or transfer.

**19.3 No assignment by the Chargor**

The Chargor may not assign or transfer all or any part of its rights and/or obligations under this Deed.

**19.4 Disclosure of information**

The Lender may disclose to any person:

- (a) to (or through) whom it assigns or transfers (or may potentially assign or transfer) this Security or all or any of its rights and obligations under this Deed;
- (b) with (or through) whom it enters into (or may potentially enter into) any sub-participation in relation to, or any other transaction under which payments are to be made by reference to, the Secured Obligations; or
- (c) to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation,

any information about the Chargor and this Deed as the Lender shall consider appropriate.

**20. Notices****20.1 Form and mode of deemed service**

A demand or notice by the Lender under this Deed must be in writing and shall be deemed to have been properly served on the Chargor if served personally or by email to the last known email address of the Chargor or an officer of the Chargor or by first class posted letter or recorded delivery posted letter addressed to the Chargor at or by delivery to the usual or last known place of abode or business of the Chargor or its registered office or at any of its principal places of business on:

- (a) any one of the directors or the secretary of the Chargor if a limited company; or
- (b) any member of the Chargor if a limited liability partnership.

**20.2 Method of service**

Service shall be deemed to be effected notwithstanding the dissolution of the Chargor:

- (a) at 10.00 hours on the second Business Day immediately following the day of posting if given by first class letter or recorded delivery post irrespective of the time or date of actual delivery or of lack of delivery; or
- (b) on the date of delivery if personally delivered or served by email on a Business Day or on the next Business Day if personally delivered or served by email on a non-Business Day.

**20.3 Multiple Chargors**

If the Chargor includes more than one person, service on any one such person shall be deemed to constitute service upon all such persons.

**20.4 English language**

Any notice given under or in connection with this Deed must be in English.

**21. Miscellaneous****21.1 Continuing Security**

This Security is continuing and will extend to the ultimate balance of all the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

**21.2 Additional Security**

This Security is in addition to and is not in any way prejudiced by any bill, note, guarantee, or other Security now or subsequently held by the Lender for any of the Secured Obligations.

**21.3 New accounts**

If the Lender receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security or other interest affecting any Charged Asset and/or the proceeds of sale of any Charged Asset, the Lender may open a new account for the Chargor. If the Lender does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice. As from that time all payments made

to the Lender will be credited or be treated as having been credited to the new account and will not operate to reduce any amount for which this Deed is security.

#### **21.4 No deduction or withholding**

All payments made by the Chargor to the Lender under this Deed shall (save insofar as required by law to the contrary) be paid in full without set-off or counterclaim and free and clear of and without any deduction or withholding or payment for or on account of any present or future tax, levy, duty, impost or other charge or withholding of a similar nature. If the Chargor shall be required by law to effect any such deduction or withholding or payment the Chargor shall immediately pay to the Lender such additional amount as will result in the immediate receipt by the Lender of the full amount which would otherwise have been received had no such deduction or withholding or payment been made.

#### **21.5 Set-off**

The Lender may set off any matured obligation owed by the Chargor to the Lender against any obligation (whether or not matured) owed by the Lender to the Chargor regardless of the place of payment, or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange for the purpose of the set-off in an amount estimated by it in good faith to be the amount of that obligation.

#### **21.6 Remedies and waivers**

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

#### **21.7 Partial invalidity**

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

#### **21.8 Amendments and waivers**

Any term of this Deed may be amended or waived only with the consent of the Lender and the Chargor and any such amendment or waiver will be binding on the Lender and the Chargor.

#### **21.9 Certificates and determinations**

Any certification or determination by the Lender of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

#### **21.10 Counterparts**

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

**21.11 Currency indemnity**

- (a) If any sum due from the Chargor under this Deed (a **Sum**), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the **First Currency**) in which that Sum is payable into another currency (the **Second Currency**) for the purpose of:

- (i) making or filing a claim or proof against the Chargor;
- (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Chargor shall as an independent obligation, within three Business Days of demand, indemnify the Lender against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to the Lender at the time of its receipt of that Sum.

- (b) The Chargor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency or currency unit other than that in which it is expressed to be payable.

**21.12 Suspense account**

All monies received, recovered or realised by the Lender under this Deed may in the discretion of the Lender be held in an interest bearing suspense account and held in such account for so long as the Lender considers appropriate pending their application from time to time in or towards the discharge of any of the Secured Obligations.

**21.13 Certificate**

The Chargor certifies that this Deed does not contravene the Chargor's Memorandum and Articles of Association or other constitutive documents of the Chargor.

**22. Governing law**

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

**23. Enforcement****23.1 Jurisdiction**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligations arising out of or in connection with this Deed) (a **Dispute**).
- (b) The Lender and the Chargor agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly neither of them will argue to the contrary.
- (c) This Clause 23.1 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with

jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

**EXECUTED** as a deed and delivered by the Chargor and signed on behalf of the Lender on the date stated at the beginning of this document.

## **Schedule 1**

### Details of the Property

All that freehold property known as Staincliffe Hotel, The Cliff, Seaton Carew, Hartlepool TS25 1AB registered at the Land Registry with title number CE113617.

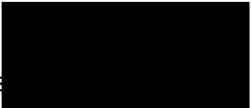
**Signatories**

**The Chargor**

**EXECUTED** as a **DEED** by **Acland Three Ltd** acting  
by a director in the presence of:

 .....

Signature of director

Signature of witness  .....

Print name ..... Stephen Little

Address ..... 

.....

.....

Occupation ..... Strategic Planning Officer

**The Lender**

**EXECUTED** as a **DEED** by **FERNSOFT LIMITED** acting  
by a director in the presence of:

.....  
Signature of director

Signature of witness .....

Print name .....

Address .....

.....

.....

Occupation .....



