

MR01

Particulars of a charge



Companies House

025435 - 23.



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

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

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument. Use form MR02.

For further information, please
refer to our guidance at:
www.gov.uk/companieshouse

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

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



A839FZU3
A12 12/04/2019 #126
COMPANIES HOUSE

FRIDAY

1 Company details

Company number 02178783

Company name in full The Tower Pension Trustees Limited

825 For official use

→ Filling in this form
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 27/03/2019

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

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

Name Adam Davies

Name

Name

Name

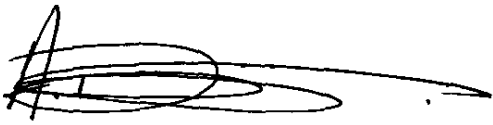
If there are more than four names, please supply any four of these names then
tick the statement below.

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

24/4/19 152

MR01

Particulars of a charge

| | | | |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4 | Brief description | Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument. | Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument". |
| Brief description | The freehold Property comprising Vitek House 52, Ardwick Green South, Ardwick, Manchester, M13 9XF registered at HM Land Registry with absolute title under title number GM522589 and the leasehold car park at the rear of Vitek House registered at HM Land Registry with absolute title under title number GM532673. | Please limit the description to the available space. | |
| 5 | Other charge or fixed security | Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| 6 | Floating charge | Is the instrument expressed to contain a floating charge? Please tick the appropriate box. <input type="checkbox"/> Yes Continue <input checked="" type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input type="checkbox"/> Yes | |
| 7 | Negative Pledge | Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| 8 | Trustee statement [Ⓢ] | You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge. <input checked="" type="checkbox"/> | Ⓢ This statement may be filed after the registration of the charge (use form MR06). |
| 9 | Signature | Please sign the form here. Signature  This form must be signed by a person with an interest in the charge. | |

 **Presenter information**

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

Contact name **Anne Dobie**

Company name **Laytons LLP**

Address **22 St. John Street**

Post town **Manchester**

County/Region

Postcode **m 3 4 e b**

Country **United Kingdom**

DX **DX 14382 Manchester 1**

Telephone **0161 214 1620**

 **Certificate**

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

 **Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

 **Important information**

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

 **How to pay**

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

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

 **Where to send**

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

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

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

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

 **Further information**

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2178783

Charge code: 0217 8783 0825

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th March 2019 and created by TOWER PENSION TRUSTEES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th April 2019.

DX

Given at Companies House, Cardiff on 24th April 2019



Companies House



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

DATED

27th March

2019

LEGAL MORTGAGE OF PROPERTY

between

**The Tower Pension Trustees Limited
as Trustee for the St James's Place SIPP-A Davies
and**

ADAM DAVIES

LAYTONS^{LLP}

GUILDFORD • LONDON • MANCHESTER

laytons.com

AMD. 37770.1

**IT IS HEREBY CERTIFIED
THAT THIS IS A TRUE
COPY OF THE ORIGINAL**

Laytons LLP 10/04/19.

LAYTONS

**22 ST. JOHN STREET
MANCHESTER M3 4EB**

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THIS DEED is dated *27th March* 2019

PARTIES

- (1) **Adam Davies**
Lender); and
- (2) **TOWER PENSION TRUSTEES LIMITED** (CRN : 02178783) as trustee of THE ST JAMES'S PLACE SIPP- A Davies (ref SJP 1715) of 3 Temple Quay Temple Back East Bristol BS1 6DZ (the **Borrower**)

(each of the Lender and the Borrower being a **Party** and together the Lender and the Borrower are the **Parties**).

BACKGROUND

- (A) The Lender has agreed pursuant to the Loan Agreement (as described below) to provide the Borrower with loan facilities on a secured basis.
- (B) The Borrower is the owner of the Property.
- (C) This legal mortgage provides security which the Borrower has agreed to give the Lender for the loan facilities.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The definitions and rules of interpretation in this clause apply in this legal mortgage.

Available Facility: means £113,000.00 (One hundred and thirteen thousand pounds sterling subject to the terms and conditions of the Loan Agreement.

Business Day: means a day other than Saturday, Sunday and public holidays when clearing banks are generally open for non-automated business in London.

Charged Property: all the assets, property and undertaking for the time being subject to any encumbrance created by this legal mortgage. References to the Charged Property shall include references to any part of it.

Costs: all costs, charges, expenses, taxes and liabilities of any kind, including (without limitation) costs and damages in connection with litigation, professional fees, disbursements and any VAT charged on Costs which the Lender or any Receiver or Delegate may charge or incur in relation to this legal mortgage, the Charged Property or breach of any provision of this legal mortgage by the Borrower.

Default Interest: 3.67 % above the base rate from time to time of Royal Bank of Scotland Bank plc

Delegate: any person appointed by the Lender or any Receiver pursuant to clause 12 and any person appointed as attorney of the Lender, Receiver or Delegate.

Event of Default: has the meaning given in the Loan Agreement and also includes:

- (a) any breach of the terms and conditions of the Loan Agreement
- (b) any failure by the Borrower to comply with any obligation under the Loan Agreement
- (c) if the Borrower becomes bankrupt or enters into any arrangement with his creditors or a receiver, administrator, liquidator or trustee is appointed over a substantial part of the Borrower's undertaking or assets or the Borrower is subject to similar proceedings in any jurisdiction
- (d) if the Borrower dies
- (e) the Borrower commits any breach of any of the covenants or any other provisions of this legal mortgage and either such breach is in the opinion of the Lender not capable of remedy or such breach is in the opinion of the Lender capable of remedy and is not remedied within 14 days

- after the earlier of the date of notice by the Lender requiring such remedy or the date on which the Borrower first becomes aware of the breach
- (f) any representation or warranty made or deemed to be made or repeated by the Borrower in or pursuant to this legal mortgage is or proves to have been untrue or incorrect when made or when deemed to be repeated with reference to the facts and circumstances existing at such time.

Loan Agreement: the Facility Agreement dated on or about the date of this legal mortgage between the Borrower and the Lender for the provision of the loan facilities secured by this legal mortgage and includes any revisions amendment to or substitution for or variations or novation of such letter or agreement.

Insurance Policies: the insurance policies referred to in Part 2 of Schedule 3.

LPA: the Law of Property Act 1925.

Property: the freehold or leasehold property (whether registered or unregistered) owned by the Borrower described in Schedule 1.

Receiver: a receiver and/or manager of any or all of the Charged Property.

Rent: all amounts payable to or for the benefit of the Borrower by way of rent, licence fee, service charge, dilapidations, ground rent and rent charge in respect of any part of the Property and other monies payable to or for the benefit of the Borrower in respect of occupation or usage of any part of the Property, including (without limitation) for display of advertisements on licence or otherwise.

Secured Liabilities: all present and future monies, obligations and liabilities owed by the Borrower to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity, under or in connection with the Loan Agreement or this legal mortgage (including, without limitation, those arising under clause 19.3.2) together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities.

Security Period: the period starting on the date of this legal mortgage and ending on the date on which all the Secured Liabilities have been unconditionally and

irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

Valuation: any valuation relating to the Property supplied to the Lender by the Borrower (or on their behalf).

VAT: value added tax.

1.2 Interpretation

In this legal mortgage:

- 1.2.1 A reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment or extension and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.2.2 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.2.3 Unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular.
- 1.2.4 A reference to a clause or Schedule is to a clause of, or Schedule to, this legal mortgage and references to paragraphs are to paragraphs of the relevant Schedule, unless the context otherwise requires.
- 1.2.5 A reference to **this legal mortgage** (or any provision of it) or any other document shall be construed as a reference to this legal mortgage, that provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties.
- 1.2.6 A reference to a **person** shall include a reference to an individual, firm, company, partnership, corporation, unincorporated body of persons, or any state or any agency of any person.
- 1.2.7 A reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly).

- 1.2.8 A reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description.
- 1.2.9 A reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution.
- 1.2.10 A reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.
- 1.2.11 A reference to **determines** or **determined** means, unless the contrary is indicated, a determination at the discretion of the person making it.
- 1.2.12 Clause, Schedule and paragraph headings shall not affect the interpretation of this legal mortgage.

1.3 Clawback

If the Lender consider that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the bankruptcy of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this legal mortgage.

1.4 Nature of security over real property

A reference in this legal mortgage to a charge or mortgage of or over the **Property** includes:

- 1.4.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery which are situated on or form part of the Property at any time;
- 1.4.2 the proceeds of sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;

- 1.4.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Property and any monies paid or payable in respect of those covenants; and
- 1.4.4 all rights under any licence, agreement for sale or agreement for lease in respect of the Property.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

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

1.6 Third party rights

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

1.7 Perpetuity period

If the rule against perpetuities applies to any trust created by this legal mortgage, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

1.8 Schedules

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

2. COVENANT TO PAY

2.1 Payment of Secured Liabilities

The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due.

2.2 Payment of interest

The Borrower shall pay interest on any amounts due under clause 2.1 from day to day until full discharge (whether before or after judgment) at the rate

and in the manner specified in the Loan Agreement. In the case of any Costs, such interest shall accrue and be payable as from the date on which the relevant Costs arose, without the need for any demand for payment being made.

3. GRANT OF SECURITY

3.1 Legal mortgage and fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender:

3.1.1 by way of first legal mortgage, the Property; and

3.1.2 by way of first fixed charge:

- (a) all his rights in any policies of insurance relating to the Property, including the proceeds of any claims under such policies, the Rent and the benefit of any guarantee or security in respect of the Rent to the extent not effectively assigned under clause 3.2;
- (b) the benefit of all contracts, guarantees, appointments, warranties and other documents to which the Borrower is a party or in its favour or of which it has the benefit relating to any letting, development, sale, purchase or the operation or otherwise relating to the Charged Property, including, in each case, but without limitation, the right to demand and receive all monies whatsoever payable to or for his benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for his benefit arising from any of them; and

- (c) all authorisations (statutory or otherwise) held or required in connection with the Borrower's use of any Charged Property, and all rights in connection with them.

3.2 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Lender all their rights in any policies of insurance relating to the Property, including the proceeds of any claims under such policies; and provided that nothing in this clause 3.2 shall constitute the Lender as mortgagees in possession.

4. PERFECTION OF SECURITY

4.1 Registration of legal mortgage at the Land Registry

The Borrower consents to an application being made by the Lender to the Land Registrar for the following restriction in Form P to be registered against his title to the Property:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Adam Davies referred to in the charges register or their conveyancer."

4.2 Further advances

The Lender covenant with the Borrower that they shall perform their obligations to make advances under the Loan Agreement (including any obligation, if any, to make available further advances).

4.3 First registration

If the title to the Property is not registered at the Land Registry, the Borrower shall ensure that no person (other than himself) shall be registered under the Land Registration Act 2002 as the proprietor of all or any part of the Property, without the prior written consent of the Lender.

4.4 Cautions against first registration and notices

Whether or not title to the Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral)

is registered against the Borrower's title to the Property, the Borrower shall immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this legal mortgage, the Borrower shall immediately, and at their own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

5. LIABILITY OF THE BORROWER

5.1 Liability not discharged

The Borrower's liability under this legal mortgage in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- 5.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is or becomes wholly or partially illegal, void or unenforceable on any ground; or
- 5.1.2 the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- 5.1.3 any other act or omission, which but for this clause 5.1 might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

5.2 Immediate recourse

The Borrower waives any right they may have to require the Lender to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this legal mortgage against the Borrower.

6. REPRESENTATIONS AND WARRANTIES

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

7. COVENANTS

The Borrower covenants with the Lender in the terms set out in Schedule 3.

8. POWERS OF THE LENDER

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

9. ENFORCEMENT

9.1 When security becomes enforceable

The security constituted by this legal mortgage shall be immediately enforceable and the power of sale and other powers given by section 101 of the LPA (as varied or extended by this legal mortgage) shall be immediately exercisable at any time after the occurrence of an Event of Default (whether or not such Event of Default is still continuing).

9.2 When statutory powers arise

Section 103 of the LPA shall not apply to this legal mortgage and the statutory power of sale and other powers given by section 101 of the LPA (as varied or extended by this legal mortgage) shall, as between the Lender and a purchaser, arise on the execution of this legal mortgage and be exercisable at any time after such execution, but the Lender shall not exercise such power of sale until the security constituted by this legal mortgage has become enforceable under clause 9.1.

9.3 Enforcement of security

After the security constituted by this legal mortgage has become enforceable, the Lender may in their absolute discretion enforce all or any part of that security at the times, in the manner and on the terms they think fit and take possession of and hold or dispose of all or any part of the Charged Property.

9.4 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders are extended so as to authorise the Lender and any Receiver, at any time after the security constituted by this legal mortgage has become enforceable, whether in their

own name or in that of the Borrower, to make any lease or agreement for lease, accept surrenders of leases or grant any option of the whole or any part of the Property with whatever rights relating to other parts of it, containing whatever covenants on the part of the Borrower, generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Lender or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA.

9.5 Privileges

Each Receiver and the Lender are entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers.

9.6 No liability as mortgagee in possession

Neither the Lender, any Receiver nor any Delegate shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Charged Property for which a mortgagee in possession might be liable as such.

9.7 Relinquishing possession

If the Lender, any Receiver or any Delegate enters into or takes possession of the Charged Property, they may at any time relinquish possession.

10. RECEIVERS

10.1 Appointment and removal of a Receiver

At any time after the security constituted by this legal mortgage has become enforceable or at the request of the Borrower, the Lender may, without further notice:

- 10.1.1 appoint under seal or in writing, by a duly authorised officer of the Lender, any one or more person or persons to be a receiver or a receiver and manager, of all or any part of the Charged Property; and

10.1.2 (subject to section 45 of the Insolvency Act 1986) from time to time, under seal or in writing, by a duly authorised officer of the Lender, remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.

Where more than one person is appointed Receiver, they shall have power to act separately (unless the appointment by the Lender specifies to the contrary).

10.2 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this legal mortgage shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the LPA or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA.

10.3 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this legal mortgage or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Charged Property.

10.4 Remuneration of a Receiver

The Lender may fix the remuneration of any Receiver appointed by them without the restrictions contained in section 109 of the LPA and the remuneration of the Receiver shall be a debt secured by this legal mortgage which shall be due and payable immediately upon it being paid by the Lender.

11. POWERS AND CAPACITY OF A RECEIVER

11.1 Powers of a Receiver

Any Receiver appointed by the Lender under this legal mortgage shall, in addition to the powers conferred on him by the LPA and the Insolvency Act 1986, have the powers set out in Schedule 5.

11.2 Scope of Receiver's powers

Any exercise of any of the powers of a Receiver by the Receiver may be on behalf of the Borrower, or himself.

11.3 Receiver is agent of the Borrower

Any Receiver appointed by the Lender under this legal mortgage shall be the agent of the Borrower and the Borrower shall be solely responsible for his acts and remuneration, as well as for any defaults committed by him.

12. DELEGATION

Each of the Lender and any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on them by this legal mortgage (including the power of attorney granted under clause 16.1). Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Lender or any Receiver shall think fit. Neither the Lender nor any Receiver shall be in any way liable or responsible to the Borrower for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

13. APPLICATION OF PROCEEDS

13.1 Order of application

All monies received by the Lender, a Receiver or a Delegate (other than sums received pursuant to any Insurance Policy) pursuant to this legal mortgage after the security constituted by this legal mortgage has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA) be applied:

- 13.1.1 first in paying all costs, charges and expenses of, and incidental to, the appointment of any Receiver and the exercise of his powers and all outgoings paid by him;
- 13.1.2 second in paying the remuneration of any Receiver (as agreed between the Receiver and the Lender);
- 13.1.3 third in or towards discharge of the Secured Liabilities in such order and manner as the Lender determine; and

13.1.4 finally in paying any surplus to the Borrower or any other person entitled to it.

13.2 Appropriation

Neither the Lender, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

13.3 Suspense account

All monies received by the Lender or a Receiver or a Delegate under this legal mortgage (other than sums received pursuant to any Insurance Policy which are not going to be applied in or towards discharge of the Secured Liabilities) may, at the discretion of the Lender, Receiver or Delegate, be credited to any suspense or securities realised account and shall bear interest at such rate, if any, as may be agreed in writing between the Lender, Receiver or Delegate and the Borrower, and may be held in such account for so long as the Lender, Receiver or Delegate thinks fit.

14. PROTECTION OF THIRD PARTIES

14.1 Protection of third parties

No purchaser, mortgagee or other person dealing with the Lender or any Receiver or Delegate shall be concerned:

14.1.1 to enquire whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged, or whether the power the Lender or a Receiver or Delegate is purporting to exercise has become exercisable; or

14.1.2 to see to the application of any money paid to the Lender or any Receiver or Delegate.

14.2 Conclusive discharge to purchasers

The receipt of the Lender or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of

the Charged Property or in making any acquisition in the exercise of their respective powers, the Lender, every Receiver and every Delegate may do so for such consideration, in such manner and on such terms as they think fit.

15. COSTS AND INDEMNITY

15.1 Costs

The Borrower shall pay to, or reimburse, the Lender and any Receiver on demand, on a full indemnity basis, all Costs incurred by the Lender, any Receiver or Delegate in relation to:

- 15.1.1 this legal mortgage or the Charged Property;
 - 15.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, Receiver's or Delegate's rights under this legal mortgage; and
 - 15.1.3 suing for, or recovering, any of the Secured Liabilities,
- (including, without limitation, the Costs of any proceedings in relation to this legal mortgage or the Secured Liabilities), together with interest from day to day until full discharge (whether before or after judgment) at the rate and in the manner specified in the Loan Agreement. In the case of any Costs, such interest shall accrue and be payable as from the date on which the relevant Costs arose, without the need for any demand for payment being made.

15.2 Indemnity

The Lender, any Receiver and any Delegate, and their respective employees and agents, shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:

- 15.2.1 the exercise, or purported exercise, of any of the powers, authorities or discretions vested in them under this legal mortgage; or
- 15.2.2 any matter or thing done, or omitted to be done, in relation to the Charged Property under those powers; or
- 15.2.3 any default or delay by the Borrower in performing any of his obligations under this legal mortgage.

16. POWER OF ATTORNEY

16.1 Appointment of attorneys

By way of security, the Borrower irrevocably appoint the Lender, every Receiver and every Delegate separately to be the attorney of the Borrower and, in his name, on his behalf and as his act and deed, to execute any documents and do any acts and things which:

16.1.1 the Borrower is required to execute and do under this legal mortgage; and

16.1.2 any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this legal mortgage or by law on the Lender, any Receiver or any Delegate.

16.2 Ratification of acts of attorneys

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything which any of their attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in clause 16.1.

17. RELEASE

Subject to clause 19.3, on the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release the Charged Property from the security constituted by this legal mortgage.

18. ASSIGNMENT AND TRANSFER

18.1 Assignment by the Lender

At any time, without the consent of the Borrower, the Lender may assign or transfer the whole or any part of the Lender's rights and/or obligations under this legal mortgage to any person. The Lender may disclose such information about the Borrower, the Charged Property and this legal mortgage as the Lender consider appropriate to any actual or proposed assignee or transferee.

18.2 Assignment by the Borrower

The Borrower may not assign any of his rights, or transfer any of his obligations, under this legal mortgage or enter into any transaction which would result in any of those rights or obligations passing to another person.

19. FURTHER PROVISIONS

19.1 Independent security

This legal mortgage shall be in addition to, and independent of, every other security or guarantee which the Lender may hold for any of the Secured Liabilities at any time. No prior security held by the Lender over the whole or any part of the Charged Property shall merge in the security created by this legal mortgage.

19.2 Continuing security

This legal mortgage shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharge this legal mortgage in writing.

19.3 Discharge conditional

Any release, discharge or settlement between the Borrower and the Lender shall be deemed conditional on no payment or security received by the Lender in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

19.3.1 the Lender or their nominee may retain this legal mortgage and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Charged Property, for such period as the Lender deem necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and

19.3.2 the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if such release, discharge or settlement had not occurred.

19.4 Certificates

A certificate or determination by the Lender as to any amount for the time being due to them from the Borrower shall (in the absence of any manifest error) be conclusive evidence of the amount due.

19.5 Rights cumulative

The rights and powers of the Lender conferred by this legal mortgage are cumulative, may be exercised as often as the Lender consider appropriate, and are in addition to their rights and powers under the general law.

19.6 Waivers

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

19.7 Further exercise of rights

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

19.8 Delay

No delay or failure to exercise any right or power under this legal mortgage shall operate as a waiver.

19.9 Single or partial exercise

No single or partial exercise of any right under this legal mortgage shall prevent any other or further exercise of that or any other right.

19.10 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA shall not apply to this legal mortgage.

19.11 Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this legal mortgage under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties.

19.12 Counterparts

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

20. NOTICES

20.1 Service

Each notice or other communication required to be given under, or in connection with, this legal mortgage shall be:

20.1.1 in writing, delivered personally or sent by pre-paid first-class letter;
and

20.1.2 sent:

- (a) to the Borrower at: 3 Temple Quay Temple Back East Bristol
BS1 6DZ
- (b) to the Lender at: 47 Bedford Drive Timperley Altrincham
WA15 7XB

or to such other address and marked for the attention of such other person as is notified in writing by one party to the other from time to time.

20.2 Receipt by Borrower

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

20.2.1 if given by hand, at the time of actual delivery; and

20.2.2 if posted, on the seventh Business Day after the day it was sent by pre-paid post.

A notice or other communication given as described in clause 20.2(a) or clause 20.2(b) on a day which is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

20.3 Receipt by Lender

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

21. GOVERNING LAW AND JURISDICTION

21.1 Governing law

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

21.2 Jurisdiction

The parties to this legal mortgage irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this legal mortgage or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

21.3 Other service

The Borrower irrevocably consents to any process in any proceedings under clause 21.2 being served on him in accordance with the provisions of this legal mortgage relating to service of notices. Nothing contained in this legal

mortgage shall affect the right to serve process in any other manner permitted by law.

22 LIMITATION OF LIABILITY

It is hereby agreed that the liability of Tower Pension Trustees Limited shall not exceed the assets within its control in the St. James's Place SIPP – A Davies (SJP1715) and that save for that neither Lender nor any other party shall have any claim whatsoever against Tower Pension Trustees Limited.

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

Schedule 1 Property

The freehold property comprising Vitek House 52, Ardwick Green South Ardwick Manchester M13 9XF registered at HM Land Registry with absolute title under title number GM522589 and the leasehold car park at the rear of Vitek House registered at HM Land Registry with absolute title under title number GM532673

Schedule 2 Representations and warranties

1. OWNERSHIP OF CHARGED PROPERTY

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

2. NO ENCUMBRANCES

The Charged Property is free from encumbrances other than the encumbrances created by this legal mortgage.

3. ADVERSE CLAIMS

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

4. ADVERSE COVENANTS

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

5. NO BREACH OF LAWS

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

6. NO INTERFERENCE IN ENJOYMENT

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

7. NO OVERRIDING INTERESTS

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

8. AVOIDANCE OF SECURITY

No encumbrance expressed to be created under this legal mortgage is liable to be avoided, or otherwise set aside, on the bankruptcy or insolvency of the Borrower or otherwise.

9. NO PROHIBITIONS OR BREACHES

There is no prohibition on the Borrower assigning his rights in any of the Charged Property referred to in clause 3.2 and the entry into of this legal mortgage by the Borrower does not and will not constitute a breach of any policy, agreement, document or instrument binding on the Borrower or his assets.

Schedule 3 Covenants

Part 1. General covenants

1. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

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

- (a) create, purport to create or permit to subsist any encumbrance other than a permitted encumbrance on, or in relation to, the Charged Property other than this legal mortgage; or
- (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property; or
- (c) create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party.

2. ENFORCEMENT OF RIGHTS

The Borrower shall use his best endeavours to:

- (a) procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Borrower and forming part of the Charged Property of the covenants and other obligations imposed on such counterparty; and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Property which the Lender may require from time to time.

3. COMPLIANCE WITH LAWS

The Borrower shall comply with all laws and regulations for the time being in force relating to or affecting any Charged Property and shall obtain and promptly renew from time to time and comply with the terms of all

authorisations which may be necessary to enable him to preserve, maintain or renew any Charged Property.

4. NOTICE OF BREACHES

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

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

5. TITLE DOCUMENTS

The Borrower shall, on the execution of this legal mortgage, deposit with the Lender and the Lender shall, for the duration of this legal mortgage, be entitled to hold:

- (a) all deeds and documents of title relating to the Charged Property which are in the possession or control of the Borrower (if these are not within the possession and/or control of the Borrower, the Borrower undertakes to obtain possession of all such deeds and documents of title); and
- (b) all Insurance Policies

6. NOTICES TO BE GIVEN BY THE BORROWER

The Borrower shall immediately on the execution of this legal mortgage give notice to the relevant insurers of the assignment pursuant to clause 3.2 of the Borrower's rights and interest in and under the Insurance Policies and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Lender.

The Borrower shall obtain the Lender's prior approval of the form of any notice or acknowledgement to be used under this paragraph 6.

7. FURTHER ASSURANCE

The Borrower, at his own cost, shall prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and

such other provisions as the Lender may reasonably require) in favour of the Lender as the Lender, in their absolute discretion, requires from time to time over all or any part of the Charged Property and give all notices, orders and directions which the Lender may require, in their absolute discretion, for perfecting, protecting or facilitating the realisation of their security over the Charged Property.

8. BORROWER'S WAIVER OF SET-OFF

The Borrower waives any present or future right of set-off he may have in respect of the Secured Liabilities (including sums payable by the Borrower under this legal mortgage).

Part 2. Property covenants

1. REPAIR AND MAINTENANCE

The Borrower shall keep all premises, and fixtures and fittings on the Property in good and substantial repair and condition and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings which have become worn out or otherwise unfit for use by others of a like nature and equal value.

2. NO ALTERATIONS

2.1 The Borrower shall not, without the prior written consent of the Lender:

- (a) pull down or remove the whole or any part of any building forming part of the Property nor permit the same to occur; or
- (b) make or permit to be made any alterations to the Property or sever or remove or permit to be severed or removed any of his fixtures or fittings (except to make any necessary repairs or renew or replace the same in accordance with paragraph 1 of this Part 2 of Schedule 3).

- 2.2** The Borrower shall promptly give notice to the Lender if the premises or fixtures or fittings forming part of the Property are destroyed or damaged.

3. DEVELOPMENT RESTRICTIONS

The Borrower shall not, without the prior written consent of the Lender:

- (a) make or, in so far as it is able, permit others to make any application for planning permission or development consent in respect of the Property; or
- (b) carry out or permit or suffer to be carried out on the Property any development as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008 or change or permit or suffer to be changed the use of the Property.

4. INSURANCE

- 4.1** The Borrower shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Charged Property against:

- (a) loss or damage by fire or terrorist acts;
- (b) other risks, perils and contingencies that would be insured against by reasonably prudent persons; and
- (c) any other risk, perils and contingencies as the Lender may reasonably require.

Any such insurance must be with an insurance company or underwriters and on such terms as are reasonably acceptable to the Lender and must be for not less than the replacement value of the Charged Property (meaning in the case of any premises on the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees

and charges for demolition and reinstatement) and loss of rents payable by the tenants or other occupiers of the Property for a period of at least three years.

4.2 The Borrower shall, if requested by the Lender, produce to the Lender the policy, certificate or cover note relating to any such insurance required by paragraph 4.1 of this Part 2 of Schedule 3 (or where, in the case of any leasehold property, such insurance is effected by the landlord, such evidence of insurance as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).

4.3 The Borrower shall, if requested by the Lender, procure that a note of the Lender' interest is endorsed upon or the Lender are named as co-insured with the Borrower on each Insurance Policy maintained by him or any person on his behalf in accordance with paragraph 4.1 of this Part 2 of Schedule 3 and that the terms of each such Insurance Policy require the insurer not to invalidate the policy as against the Lender by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Lender.

5. INSURANCE PREMIUMS

The Borrower:

- (a) shall promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep such policy in full force and effect; and
- (b) shall (if the Lender so requires) produce to the Lender the receipts for all premiums and other payments necessary for effecting and keeping up the Insurance Policies (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).

6. NO INVALIDATION OF INSURANCE

The Borrower shall not do or omit to do or permit to be done or omitted any thing that may invalidate or otherwise prejudice the Insurance Policies.

7. INSURANCE POLICIES' PROCEEDS

All monies payable under any of the Insurance Policies at any time (whether or not the security constituted by this legal mortgage has become enforceable) shall:

- (a) immediately be paid to the Lender;
- (b) if they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower upon trust for the Lender; and
- (c) at the option of the Lender, be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or in or towards discharge or reduction of the Secured Liabilities or be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or, after the security constituted by this legal mortgage has become enforceable and if the Lender so direct, in or towards discharge or reduction of the Secured Liabilities.

8. LEASES AND LICENCES AFFECTING THE PROPERTY

The Borrower shall not, without the prior written consent of the Lender which consent, in the case of paragraph 8(d), is not to be unreasonably withheld or delayed in circumstances in which the Borrower may not unreasonably withhold or delay their consent:

- (a) grant, or agree to grant, any licence or tenancy affecting the whole or any part of the Property, or exercise the statutory powers of leasing (or agreeing to lease) or of

- accepting (or agreeing to accept) surrenders under sections 99 or 100 of the LPA; or
- (b) in any other way dispose of (or agree to dispose of), accept the surrender of (or agree to accept the surrender of), surrender (or agree to surrender) or create any legal or equitable estate or interest in the whole or any part of the Property; or
 - (c) let any person into occupation of or share occupation of the whole or any part of the Property; or
 - (d) grant any consent or licence under any lease or licence affecting the Property.

9. NO RESTRICTIVE OBLIGATIONS

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

10. PROPRIETARY RIGHTS

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

11. COMPLIANCE WITH AND ENFORCEMENT OF COVENANTS

The Borrower shall:

- (a) observe and perform all covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject and (if the Lender so require) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed; and

- (b) diligently enforce all covenants, stipulations and conditions benefiting the Property and shall not (and shall not agree to) waive, release or vary any of the same.

12. NOTICES OR CLAIMS RELATING TO THE PROPERTY

12.1 The Borrower shall:

- (a) give full particulars to the Lender of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a **Notice**) that specifically applies to the Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and
- (b) (if the Lender so require) immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, such objections or representations in respect of any such Notice as the Lender may desire.
- (c) If the Borrower receives any notice served under Section 146 of the LPA or any proceedings are commenced for forfeiture of any lease of the Property or any superior lease or the landlord or superior landlord attempts to re-enter under the provisions of such lease the Borrower shall at the request of the Lender and at the expense of the Borrower take such steps as the Lender may require

12.2 The Borrower shall give full particulars to the Lender of any claim, notice or other communication served on him in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property.

13. INSPECTION

The Borrower shall permit the Lender and any Receiver and any person appointed by either of them to enter on and inspect the Property on reasonable prior notice.

Schedule 4 Powers of the Lender

1. POWER TO REMEDY

1.1 The Lender shall be entitled (but shall not be obliged) to remedy a breach at any time by the Borrower of any of his obligations contained in this legal mortgage. The Borrower irrevocably authorises the Lender and their agents to do all such things as are necessary or desirable for that purpose. Any monies expended by the Lender in remedying a breach by the Borrower of any of his obligations contained in this legal mortgage shall be reimbursed by the Borrower to the Lender on a full indemnity basis and shall carry interest in accordance with clause 15.1.

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

2. EXERCISE OF RIGHTS

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

3. LENDER HAVE RECEIVER'S POWERS

To the extent permitted by law, any right, power or discretion conferred by this legal mortgage on a Receiver may, after the security constituted by this legal mortgage has become enforceable, be exercised by the Lender in relation to any of the Charged Property whether or not they have taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

4. CONVERSION OF CURRENCY

For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by the Lender under this legal mortgage (including the proceeds of any previous conversion under this paragraph 4) from their existing currencies of denomination into such other currencies of denomination as the Lender may think fit. Any such conversion shall be effected at the Lender's then prevailing spot selling rate of exchange for such other currency against the existing currency. Each reference in this paragraph 4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

5. NEW ACCOUNTS

- 5.1** If the Lender receive, or are deemed to have received, notice of any subsequent encumbrance or other interest, affecting all or part of the Charged Property, the Lender may open a new account for the Borrower in the Lender' books. Without prejudice to the Lender' right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- 5.2** If the Lender do not open a new account immediately on receipt of the notice or deemed notice referred to in paragraph 5.1 of this Schedule 4, then, unless the Lender give express written notice to the contrary to the Borrower, all payments made by the Borrower to the Lender shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Lender.

6. LENDER' SET-OFF RIGHTS

If the Lender have more than one account for the Borrower in their books, the Lender may at any time after:

- (a) the security constituted by this legal mortgage has become enforceable; or
- (b) the Lender have received or is deemed to have received notice of any subsequent encumbrance or other interest affecting all or any part of the Charged Property,

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account which may be in debit (but the Lender shall notify the Borrower of the transfer once made).

7. INDULGENCE

The Lender may, at their discretion, grant time or other indulgence or make any other arrangement, variation or release with any person that is not party

to this legal mortgage (whether or not such person is jointly liable with the Borrower) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this legal mortgage or to the liability of the Borrower for the Secured Liabilities.

Schedule 5 Powers of a Receiver

1. POWER TO REPAIR AND DEVELOP THE PROPERTY

A Receiver may undertake or complete any works of repair, alteration, building or development on the Property and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

2. POWER TO GRANT OR ACCEPT SURRENDERS OF LEASES

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting the Property and may grant any other interest or right over the Property on such terms and subject to such conditions as he thinks fit.

3. POWER TO EMPLOY PERSONNEL AND ADVISERS

A Receiver may, for the purposes of this Schedule 5, provide services and employ, or engage, such managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on such salaries, for such periods and on such other terms as he thinks fit. A Receiver may discharge any such person or any such person appointed by the Borrower.

4. POWER TO MAKE AND REVOKE VAT OPTIONS TO TAX

A Receiver may exercise or revoke any VAT option to tax as he thinks fit.

5. POWER TO CHARGE FOR REMUNERATION

A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Lender may prescribe or agree with him.

6. POWER TO REALISE CHARGED PROPERTY

A Receiver may collect and get in the Charged Property or any part of it in respect of which he is appointed and make such demands and take such

proceedings as may seem expedient for that purpose, and take possession of the Charged Property with like rights.

7. POWER TO DISPOSE OF CHARGED PROPERTY

A Receiver may grant options and licences over all or any part of the Charged Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the Charged Property in respect of which he is appointed for such consideration and, in such manner (including, without limitation, by public auction or private sale) and generally on such terms and conditions as he thinks fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Property to be disposed of by him.

8. POWER TO SEVER FIXTURES AND FITTINGS

A Receiver may sever and sell separately any fixtures or fittings from the Property without the consent of the Borrower.

9. POWER TO GIVE VALID RECEIPTS

A Receiver may give valid receipts for all monies and execute all assurances and things which may be proper or desirable for realising any of the Charged Property.

10. POWER TO MAKE SETTLEMENTS

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person as he thinks fit.

11. POWER TO BRING PROCEEDINGS

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Charged Property as he thinks fit.

12. POWER TO INSURE

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 15.2, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this legal mortgage.

13. POWERS UNDER LPA

A Receiver may exercise all powers provided for in the LPA in the same way as if he had been duly appointed under that act and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986.

14. POWER TO BORROW

A Receiver may, for any of the purposes authorised by this Schedule 5, raise money by borrowing from the Lender (or from any other person) on the security of all or any of the Charged Property in respect of which he is appointed on such terms as he thinks fit (including, if the Lender consent, terms under which such security ranks in priority to this legal mortgage).

15. POWER TO REDEEM PRIOR ENCUMBRANCES

A Receiver may redeem any prior encumbrance and settle and pass the accounts to which the encumbrance relates. Any accounts so settled and passed shall be conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.


16. POWER OF ABSOLUTE OWNER

A Receiver may do all such acts and things as an absolute owner could do in the ownership and management of the Charged Property or any part of it.

17. INCIDENTAL POWERS

A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 5, or which he lawfully may or can do as agent for the Borrower.

Executed as a deed by
Tower Pension Trustees Limited
acting by two authorised signatories


.....

Authorised signatory


.....

Authorised signatory

Executed as a Deed by

ADAM DAVIES

in the presence of

SIGNATURE OF WITNESS

ANNE MARJORIE DODIE

PRINT NAME,

ADDRESS

OCCUPATION OF WITNESS