



Registration of a Charge

Company Name: **PALM TREE PROPERTIES LIMITED**

Company Number: **02898370**



Received for filing in Electronic Format on the: **28/11/2023**

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Details of Charge

Date of creation: **28/11/2023**

Charge code: **0289 8370 0003**

Persons entitled: **WEST END & CITY PROPERTY FINANCE LTD**

Brief description: **29 TO 34 SPRING STREET, SUSSEX COURT LONDON W2 1JA (& THE PASSAGEWAY AT THE BACK) AS THE SAME IS REGISTERED AT LAND REGISTRY WITH FREEHOLD TITLE ABSOLUTE BEARING TITLE NUMBER LN198979**

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **JOHN MACRORY**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2898370

Charge code: 0289 8370 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th November 2023 and created by PALM TREE PROPERTIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th November 2023 .

Given at Companies House, Cardiff on 28th November 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**

THIS LEGAL CHARGE is made the 28th day of November 2023

BETWEEN

- (1) **PALM TREE PROPERTIES LIMITED** (CRN 02898370) of 219 Old Brompton Road, London SW5 0EA ("the Borrower"), and
- (2) **WEST END & CITY PROPERTY FINANCE LIMITED** (CRN 06149969) of Lawrence House Goodwyn Avenue London NW7 3RH ("the Lender")

RECITALS

- (A) The Borrower is the freehold owner of the property described in the schedule to this deed
- (B) At the Borrower's request the Borrower has requested the Lender to lend the composite sum of **THREE HUNDRED & FIVE THOUSAND POUNDS (£305,000.00)** secured against the above properties and the Lender has agreed to do so on condition that its repayment together with interest is secured in the manner set out below.

NOW THIS DEED WITNESSES as follows:

1 Definitions

In this Legal Charge:

- 1.1 "the Interest Payment" is the interest payable on the Principal at the rate and in the manner hereinafter set out from the date of drawdown of the Principal
- 1.2 "the Interest Payment Days" means firstly the date hereof and subsequently monthly in advance on the same date each month thereafter throughout the term of the loan
- 1.3 "the Interest Rate" means One Per Cent (1%) per month (**being £3,050.00**) payable monthly in advance from the date of drawdown by direct bank transfer from the Borrower's account into such account as is nominated by the Lender
- 1.4 "the Default Interest Rate" means Two Per Cent (2.0 %) per month (**being £6,100.00**) forthwith on the occurrence and for the duration only of an Event of Default and payable monthly in advance by direct bank transfer from the Borrower's account into such UK bank account as is nominated by the Lender
- 1.5 "The Principal" means **THREE HUNDRED & FIVE THOUSAND POUNDS (£305,000.00)**
- 1.6 "the Redemption Date" means **12** months from the date of drawdown or in any of the Events of Default (whichever first occurs)
- 1.7 "the Events of Default" are as set out in clause 2.1 herein
- 1.8 "the Property" means the property detailed in the schedule below and all building and fixtures on it.

2 Payment of principal, interest and costs

In consideration of the Principal now paid by the Lender to the Borrower at the request of the Borrower (receipt of which the Borrower acknowledges) the Borrower covenants with the Lender as set out below.

2.1 Events of Default

The Borrower covenants with the Lender to pay the Principal to the Lender free from any legal or equitable right of set-off on the Redemption Date or immediately on demand if

- 2.1.1 any interest or other sum payable under this security is not paid within 14 days of becoming due; or
- 2.1.2 the Borrower fails to comply with any term, condition, covenant or provision of, or to perform any of his obligations or liabilities under, this or any associated or collateral security; or
- 2.1.3 any representation or warranty given by the Borrower to the Lender is or becomes incorrect; or
- 2.1.4 any judgment or order made against the Borrower by any court is not complied with within 14 days; or
- 2.1.5 any property of the Borrower becomes subject to any forfeiture or execution, distress, sequestration or other form of process; or
- 2.1.6 a mortgagee takes possession of or exercises or seeks to exercise any power of sale or of an appointment of a receiver in relation to the property charged by this deed or any other property of the Borrower ; or
- 2.1.7 in the case of an individual:
 - (a) the Borrower becomes subject to an interim order or makes a proposal for a voluntary arrangement under Part VIII of the Insolvency Act 1986 or enters, or seeks to enter, into any other form of composition or arrangement with his creditors whether in whole or in part; or
 - (b) a petition is presented for the bankruptcy of the Borrower; or
 - (c) the Borrower dies or becomes of unsound mind; or
- 2.1.8 in the case of a company:
 - (a) the Borrower ceases or threatens to cease to carry on, or disposes or threatens to dispose of, its business or a material part of its business; or
 - (b) the Borrower makes a proposal for a voluntary arrangement under Part I of the Insolvency Act 1986 or enters, or seeks to enter, into any other form of composition or arrangement with its creditors whether in whole or in part; or
 - (c) a petition is presented for the making of an administration order in respect of the Borrower; or
 - (d) an administrative receiver is appointed in respect of the whole or any part of the undertaking of the Borrower; or
 - (e) a petition is presented in any court or a meeting is convened for the purpose of considering a resolution for the winding up of the Borrower (except in the case of a reconstruction or amalgamation that has the previous approval in writing of the Lender) or
- 2.1.9 The Principal and all sums due and owing under this Legal Charge are not paid by the Redemption Date

2.2 Interest

2.2.1 Payment

The Borrower covenants with the Lender to pay to the Lender the Interest Payment at the Interest Rate (or the Default Interest Rate as the case may be)

2.2.2 Capitalisation

- (a) If any interest payable under this security is not paid within 14 days after the due date for payment it shall be capitalised and added to the Principal and be charged on the Property and bear interest from the due date for payment at the Default Interest Rate and on the Interest Payment Days.
- (b) The capitalisation of arrears of interest is to be without prejudice to the Lender's right at any time to enforce payment of the sums concerned as interest in arrear.
- (c) Subject to the requirement as to minimum term as set out in clause 11.3 above the Borrower may pay to the Lender, in addition to the interest then due, all or any part of the Principal representing capitalised arrears of interest.
- (d) Otherwise all covenants and provisions contained in this mortgage and all powers and remedies conferred by law or by this mortgage and all rules of law or equity relating to the Principal and interest on it shall equally apply to capitalised arrears of interest and to interest on them.

2.3 Costs, charges, expenses and other liabilities

2.3.1 Covenant to pay

The Borrower covenants with the Lender to pay to the Lender on demand, and on a full and unlimited indemnity basis, all costs, charges, expenses and liabilities properly and reasonably paid and incurred by the Lender (whether directly or indirectly) in relation to the security constituted by and the obligations owed under and associated with this deed (including all commission, legal and other professional costs and fees and disbursements and VAT on them) together with interest from the date when the Lender becomes liable for them until payment by the Borrower at the Interest Rate (or the Default Interest Rate as the case may be) such interest to be payable in the same manner as interest on the Principal.

2.3.2 Costs included

Without prejudice to the generality of the provisions of that clause, the liability of the Borrower under clause 2.3.1 will include not only those costs, charges, expenses and liabilities that would otherwise be allowable on the taking of an account between a mortgagor and mortgagee but also (and in so far as they are not so allowable) those incurred in relation to or arising out of :

- (a) the contemplation and institution of all proceedings and other action in connection with the enforcement, preservation and protection of the security constituted by this deed;
- (b) the contemplation and institution of all proceedings and other action against the Borrower for the payment or discharge of the money and liabilities secured by or associated with this deed;
- (c) the exercise or contemplated exercise of any power, right or discretion conferred by this deed or by law on the Lender;
- (d) any default by the Borrower in compliance with the obligations imposed by the terms of this security or associated with it;
- (e) any impeachment or attempted impeachment of the title of the Lender by the Borrower or by a third party or of the title of the Borrower; and
- (f) all fees and costs incurred in any valuation required by the Lender in any Event of Default

3 Legal Charge

The Borrower with full title guarantee charges the Property to the Lender by way of first legal charge with payment or discharge of all money and other obligations and liabilities in this deed covenanted to be paid or discharged by the Borrower otherwise secured by this deed and any deed collateral to it

4 Borrower's representations and warranties

The Borrower represents and warrants to the Lender that :

- 4.1 the present use of the Property is a permitted use within the provisions of the Town and Country Planning Act 1990;
- 4.2 the Borrower has not before the execution of this deed carried out any operation upon the Property or put the Property to any use which is a development within the provisions of the Town and Country Planning Act 1990 and in respect of which any requisite permission has not been obtained or any valid enforcement order may be made;
- 4.3 the Borrower has complied with environmental law and, in particular (but without prejudice to the generality of that representation and warranty) that no hazardous or toxic materials, substances, pollutants, contaminants or wastes have at any time before the execution of this deed been released into the environment or deposited, discharged, displaced or disposed of at or near the Property; and
- 4.4 the execution of, and the observance and performance of his obligations under, this mortgage does not and will not contravene any other charge, mortgage, lease, loan facility or other agreement; and
- 4.5 (where the Borrower is a company) the execution of and the observance of its obligations under this mortgage does not and will not contravene any of the provisions of the Borrower's Memorandum and Articles of Association
- 4.6 The Borrower has full power and authority to enter into and perform the terms of this deed and this deed when executed will constitute a valid binding obligation on the Borrower in accordance with its terms.
- 4.7 (where the Borrower is a company) the Borrower is a corporation in good standing, duly organised and validly existing under the laws of England, and has all corporate power and legal authority to carry on its business as now being conducted.
- 4.8 The business of the Borrower has all times been conducted in accordance with all applicable laws, regulations and bye-laws in the United Kingdom and in any relevant foreign country and there is no investigation or enquiry, order, decree or judgment of any court or any governmental agency or regulatory body outstanding or anticipated against the Borrower which may have a material adverse effect upon the business of the Borrower

5 Covenants by the Borrower as to the Property

The Borrower covenants with the Lender as follows :

- 5.1 Repair
 - 5.1.1 The Borrower will keep all buildings, fixtures and fittings, services and service media in, on or associated with the Property in good and substantial repair and good working order and condition.
 - 5.1.2 The Borrower will permit the Lender and his representatives at all reasonable times and upon reasonable notice to enter upon the Property or any part of it to inspect the state and condition of the said buildings, fixtures and fittings, services and service media without the Lender becoming liable as mortgagee in possession.
- 5.2 Alterations

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

5.3 Insurance

5.3.1 Duty to insure

The Borrower will keep the Property insured at all times from loss or damage by fire flood and other risks and special perils normally insured under a comprehensive policy on property of the same nature as the Property in some insurance office or with underwriters to be approved by the Lender (which approval shall not be unreasonably withheld) with the Lender's particulars explicitly noted on the policy in a sum equal to the full insurable value thereof from time to time together with architects' and surveyors' professional fees and to make all payments necessary for the above purposes within seven days after the same shall respectively become due and to produce to the Lender or his agent on demand the policy or policies of such insurance and the receipt for each such payment and to cause all monies received by virtue of any such insurance to be forthwith laid out in rebuilding and reinstating the Property or any part thereof in respect of which such monies shall have become payable or have been received in accordance with the original plans elevations and details thereof with such variations (if any) as may be agreed by the Lender or may be necessary having regard to the then existing statutory provisions byelaws and regulations affecting the same and any necessary planning approval (which it shall be the Borrower's obligation to obtain) and to the satisfaction in all respects of the surveyor for the time being of the Lender and to make up any deficiency out of the Borrower's own monies

5.3.2 Indemnity for payments by the Lender

If the Borrower fails to perform any of his obligations under this clause 5.3 and if the Lender takes out any insurance on the Property or any part of it, the Borrower will on demand repay to the Lender all payments made by him for that purpose and will pay interest at the Interest Rate from the date of payment until repayment on any money not repaid on demand (such interest to be payable in the same manner as interest on the Principal). All such money and interest shall be charged on the Property.

5.3.3 Application of insurance money

Any money received under any policy of insurance effected or maintained by the Borrower (whether or not pursuant to his obligations under this clause 5.3) shall, at the option and absolute discretion of the Lender, be applied either in making good the loss or damage in respect of which it was received or in or towards discharge of the money due under this security, and the Borrower will require the insurers to make any such payment direct to the Lender and provide written confirmation of such instruction within 7 days of the date hereof

5.4 Outgoings

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

5.5 General covenant to comply with statutes etc

The Borrower will ensure that any legislation, regulations or bye-laws for the time being in force applicable to the Property or to the employment of persons in the Property are complied with in all respects.

5.6 General covenant to produce notices etc

5.6.1 The Borrower will immediately produce to the Lender any order, direction, permission, notice or other matter whatever affecting or likely to affect the Property and served upon the Borrower by any third party, and will allow the Lender to make a copy of it.

5.6.2 The Borrower will comply with any such order, direction, permission, notice or other matter without delay or, if the Lender so requires, will make or join with the Lender in making such objections or representations against or in respect of the same as the Lender may request or approve.

5.7 Specific covenants relating to planning and environmental matters

5.7.1 Alteration of present use of the Property

The Borrower will not use the Property for any purpose other than the present permitted use except with the previous written consent of the Lender (such consent not to be unreasonably withheld or delayed) and the relevant planning authority and then only to the extent permitted by and in accordance with any conditions attached to such consent. The Borrower will deliver a copy of any such consent of the relevant planning authority to the Lender.

5.7.2 No development without the Lender's consent

The Borrower will not without the previous written consent of the Lender (and then only to the extent permitted by and in accordance with any conditions attached to such consent) carry out any operation or use the Property for any use which is a development within the provisions of the Town and Country Planning Act 1990 other than pursuant to the Planning Application.

5.7.3 Compliance with conditions of permission for development

If the Borrower at any time obtains permission for any development of the Property within the provisions of the Town and Country Planning Act 1990 he will comply with all conditions subject to which such permission is granted.

5.7.4 Compliance with environmental matters

The Borrower will observe and perform all environmental laws, regulations, directives and codes of practice affecting the Property.

5.7.5 Compliance with notices etc

- (a) If any valid enforcement or other notice, claim, order or proposal is made or served by the relevant authority under or by virtue of the Town and Country Planning Act 1990 or the Environmental Protection Act 1990 the Borrower will immediately produce the same to the Lender and allow the Lender to take a copy of it.
- (b) The Borrower will at his own expense in all respects comply with the requirements of any such notice, order or proposal without delay and in any event within any time which may be specified for compliance. Alternatively, if the Lender so requires, the Borrower will make or join with the Lender in making such objections or representations as the Lender may request or approve against or in respect of any such notice or order or proposal.
- (c) If the Borrower fails to take immediate steps to commence compliance, or fails within the relevant time limit to conclude compliance with any such requirement, the Lender may (but shall not be obliged to) at any time thereafter enter on the Property and execute any works and do anything on the Property necessary to ensure such compliance without the Lender thereby becoming liable as mortgagee in possession and all costs and expenses so incurred by the Lender, with interest on them at the Interest Rate (or the Default Interest Rate as the case may be), shall be payable; and charged upon the Property
- (d) The Borrower irrevocably appoints the Lender and his substitutes for the time being to be his attorney to apply for and procure on his behalf any licences, permissions or other things from any competent authority necessary for the execution of the works authorised by this clause to be executed by the Lender on the default of the Borrower.

- (e) All expenses incurred by the Lender in securing such licences permissions and other things shall be treated as part of the cost of the works and such expenses and interest on them shall be charged upon the Property as provided by clause 5.1.4.

5.8 Specific covenant in relation to compulsory purchase

- 5.8.1 The Borrower will not without the previous consent in writing of the Lender (and then only to the extent permitted by and in accordance with any conditions attached to that consent) enter into any negotiations with any local or other authority for or consent to the compulsory acquisition of the Property either in whole or in part.

- 5.8.2 If the Lender so requires the Borrower will permit the Lender to conduct such negotiations and grant such consent on his behalf.

- 5.8.3 Any compensation payable to or received by the Borrower in respect of the compulsory acquisition of the Property or any part of it will, if so and to the extent required by the Lender, be applied in or towards the discharge of the money due under this security.

5.9 Leasing and disposal

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

- 5.9.1 exercise or agree to exercise any power of leasing or of accepting surrenders of leases (whether conferred by statute or otherwise) other than one which is a Proposed Surrender or vary or agree to vary any lease or tenancy agreement or the amounts payable thereunder; or
 - 5.9.2 otherwise part with or share possession or occupation of or dispose of or deal with the Property or any part of it or any interest in it.
- #### 5.10 Compliance with terms of conveyances etc
- 5.10.1 The Borrower will observe and perform the terms of all conveyances, grants, assignments, contracts and other deeds and documents from time to time affecting the Property and binding on the Borrower.
 - 5.10.2 The Borrower will keep the Lender indemnified against all proceedings and claims on account of any breach of those terms.
 - 5.10.3 All expenses damages and costs incurred by the Lender in relation to any such breach together with interest at the Interest Rate shall be payable and charged upon the Property as provided by clause 5.1.4.

5.11 Not to register

Save as to the initial registration of the Borrower's title and this Legal Charge the Borrower must not without the previous consent in writing of the Lender cause or allow any person to be registered under the Land Registration Acts as proprietor of the Property or any part of it.

5.12 Restriction on other charges or other indebtedness

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

6 Lender's powers and rights

6.1 Exercise of statutory powers

- 6.1.1 Section 103 of the Law of Property Act 1925 shall not apply to this security.
- 6.1.2 At any time after the money secured by this deed has become due and payable the security shall be immediately enforceable and the power of sale as amended or varied by this deed shall be

immediately exercisable in respect of the whole or any part of the Property without the restrictions contained in that Act as to the giving of notice or otherwise.

6.2 Extension of statutory powers

- 6.2.1 The power of sale conferred upon mortgagees by the Law of Property Act 1925 shall be extended so as to authorise any person exercising it to do so by selling the Property or any part of it in such manner and on such conditions as to payment of the purchase price and otherwise as the Lender may think fit.
- 6.2.2 By way of extension of the powers contained in the Law of Property Act 1925 sections 99 and 100 the Lender shall at any time or times hereafter (and whether or not he has entered into or is in possession of the Property or has appointed a receiver who is still acting) be entitled to grant or vary or reduce any sum payable under, or accept surrenders of, leases of the Property or any part or parts of it or agree to do so without restriction in such manner and on such terms and conditions as he shall think fit. For the purposes of the exercise of these powers the provisions of the Law of Property Act 1925 sections 99 and 100 shall be deemed to have been enacted with the omission of sections 99(18) and 100(12).
- 6.2.3 At any time after this security has become enforceable and notwithstanding the appointment of any receiver the Lender may at his absolute discretion exercise any power which a receiver appointed by him could exercise.
- 6.2.4 The powers granted or extended by this clause shall be exercisable free from any liability on the part of the Lender or the person exercising them to the Borrower or any other interested person, whether in negligence or otherwise.

6.3 Powers in respect of furniture and effects

- 6.3.1 At any time after this security has become enforceable the Lender may, as agent for and on behalf of the Borrower and at the expense of the Borrower, remove, store, preserve, sell or otherwise dispose of any livestock or any furniture, effects, chattels or other items situate at or in the Property belonging to the Borrower which are not charged by this mortgage.
- 6.3.2 The Lender will have no liability to the Borrower for any loss incurred in connection with any such removal, storage, preservation, sale or disposal.
- 6.3.3 The Lender will have the right to set off any such proceeds of sale against the sums due under this security.

6.4 Power to appoint a receiver

- 6.4.1 At any time after this security becomes enforceable, or at the request of the Borrower, the Lender may by writing under hand appoint any person or persons to be a receiver of all or any part of the Property.
- 6.4.2 The Lender may at any time and from time to time in like manner remove any receiver so appointed and appoint another in his place or appoint an additional person as receiver.
- 6.4.3 The Lender may, either at the time of appointment or at any time subsequently and from time to time, fix the remuneration of any receiver so appointed.
- 6.4.4 None of the restrictions imposed by the Law of Property Act 1925 in relation to the appointment of receivers or as to the giving of notice or otherwise shall apply.
- 6.4.5 Where more than one receiver is appointed they shall have the power to act severally.
- 6.4.6 Any receiver so appointed shall be the agent of the Borrower for all purposes and the Borrower shall be solely responsible for his acts or defaults and for his remuneration.

6.4.7 Any receiver so appointed shall have all the powers conferred on mortgagees or receivers by the Law of Property Act 1925 (but without the restrictions contained in section 103 of that Act) and on administrative receivers by the Insolvency Act 1986 Schedule 1 except to the extent to which those powers are expressly or impliedly excluded by the terms of this deed. In the event of ambiguity or conflict the terms of this deed will prevail.

6.4.8 In addition any receiver so appointed shall have power at his discretion, to such extent and upon such terms as he may in his absolute discretion think fit, and notwithstanding the administration or liquidation of the Borrower, to do or omit to do anything which the Borrower could do or omit to do in relation to all or any part of the Property. In particular (but without limitation) any such receiver shall have the power:

- (a) to take possession of, collect and get in all or any part of the Property and for that purpose bring any proceedings in the name of the Borrower or otherwise;
- (b) to manage or carry on or concur in carrying on any business of the Borrower;
- (c) to raise or borrow money (whether from the Lender or otherwise) to rank for payment in priority to this security and with or without a charge on all or any part of the Property;
- (d) to sell (whether by public auction or private contract or otherwise), lease, vary, renew or surrender leases or accept surrenders of leases (without needing to observe the provisions of the Law of Property Act 1925 sections 99 and 100) of, or otherwise dispose of or deal with all or any part of, the Property or of rights associated with all or any part of the Property or to concur in so doing whether in the name or on behalf of the Borrower or otherwise;
- (e) to seize and sever all or any fixtures at or in the Property other than and except trade machinery as defined by the Bills of Sale Act 1879 and sell the same separately from the Property or its site;
- (f) to settle, arrange, compromise or submit to arbitration any accounts, claims, questions or disputes whatsoever which may arise in connection with any business of the Borrower or the Property or in any way relating to this security;
- (g) to bring, take, defend, compromise, submit to arbitration or discontinue any actions, suits or proceedings whatsoever whether civil or criminal in relation to the matters referred to in clause 6.4.8 (f);
- (h) to disclaim, abandon or disregard all or any outstanding contracts of the Borrower and to allow time for payment of any debts either with or without security;
- (i) to repair, insure, manage, protect, improve, enlarge, develop, build, complete or reconstruct or replace all or any part of the Property and to apply for and obtain any appropriate permissions approvals consents or licences;
- (j) to acquire by purchase lease or otherwise any further property assets or rights;
- (k) to appoint, employ and dismiss managers, officers, contractors and agents;
- (l) to do (whether in the name of the Borrower or otherwise) all such other acts and things as he may consider necessary or desirable for the preservation, management, improvement or realisation of the Property or as he may consider incidental or conducive to any of the above matters or to the exercise of any of the above powers and for these purposes the Borrower authorises the receiver to elect to waive exemption under the Value Added Tax Act 1994 Schedule 10 paragraph 2(1) on behalf of the Borrower in respect of the Property.

6.4.9 All money received by any receiver shall be applied by him:

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

6.5 Right to consolidate

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

7 Protection of persons dealing with the Lender or a receiver

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

- 7.1 whether this security has become enforceable;
- 7.2 whether any power exercised or purported to be exercised under this mortgage has arisen or become exercisable;
- 7.3 the propriety, regularity or purpose of the exercise or purported exercise of any such power;
- 7.4 whether any money remains due under the security; or
- 7.5 the necessity or expediency of the stipulations and conditions subject to which any disposition shall be made;
- 7.6 and the receipt of the Lender or any receiver for any money shall effectually discharge the person paying from such matters and from being concerned to see to the application or being answerable for the loss or misapplication of such money.

8 Indulgence and waiver

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

9 Demands and notices

- 9.1 A demand or notice by the Lender under this mortgage shall be deemed to have been properly served on the Borrower if served personally on the Borrower (or) any one of the directors or the secretary of the Borrower, by first class letter post, or fax addressed to the Borrower at or by delivery to its registered office or at any of its principal places of business
- 9.2 Service shall be deemed to be effected notwithstanding the dissolution of the Borrower at 10 am on the second business day immediately following the day of posting if given by first class letter post irrespective of the time or date of actual delivery or of lack of delivery, when dispatched if given by fax, and when left at the property concerned if delivered.

- 9.3 The methods of service described in clause 9.1 are in addition, and without prejudice, to any other method of service prescribed or permitted by law and in particular to the provisions of the Law of Property Act 1925 section 196.
- 9.4 If the expression 'the Borrower' includes more than one person, service on any one person shall be deemed to constitute service upon all such persons.

10 Validity and severability

- 10.1 Each of the provisions of this mortgage is severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable the validity, legality and enforceability of the remaining provisions shall not be affected or impaired.
- 10.2 If this mortgage is executed by or on behalf of more than one person and any one or more of those persons is not bound by its provisions (whether by reason of lack of capacity or improper execution or for any other reason), the remaining parties shall continue to be so bound as if those who are not bound had not been parties to the security.

11. Provisoes, Agreements and Declarations

11.1 As to Legal Fees

In addition to the provisions as to legal fees herein before set out the Borrower agrees to pay the fees of and incidental to the preparation of this deed and all deeds and documentation contemporaneous thereto in the composite sum of £2,500.00 plus VAT plus appropriate Land Registry and Companies House fees

11.2 As to Early Redemption

There shall be no variation or discount on the terms of this Legal Charge in the event of the Borrower's opting to redeem before expiry of the Term SAVE THAT the Borrower may redeem before the Redemption Date subject to its payment of a minimum sum equivalent to 6 months interest

11.3 Legal fees on redemption

The Borrower shall pay all the Lender's legal fees and costs of and incidental to redemption of this legal charge shall be £650 plus VAT & bank transmission fee

12 Release of Charged Assets

On the Redemption Date, the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release the Property and any other assets charged under this deed from the security created or constituted under this deed.

13 Interpretation

13.1 Unless the context otherwise requires:

- 13.1.1 the singular includes the plural and vice versa,
- 13.1.2 references to persons include references to firms companies or corporations and vice versa, and
- 13.1.3 references in the masculine gender include references in the feminine or neuter genders and vice versa.

- 13.2 Unless the context otherwise requires the expressions 'the Borrower' and 'the Lender' include their respective successors and assigns whether immediate or derivative and where appropriate the survivors or survivor of them.
- 13.3 All covenants, charges, agreements, undertakings, representations and warranties given or implied in this mortgage by more than one person shall be deemed to have been given jointly and severally by those concerned.
- 13.4 References to any statutory provision shall be construed as including any statutory modification or re-enactment of it and any order, regulation, directive or code of practice made under it or associated with it.
- 13.5 The clause headings do not form part of this mortgage and shall not be taken into account in its construction or interpretation.
- 13.6 Any reference to a clause or a paragraph or a schedule is to one in this mortgage so numbered or named.
- 14. Governing law and jurisdiction**
- 14.1 This mortgage shall be governed by and construed in accordance with English law.
- 14.2 It is irrevocably agreed for the exclusive benefit of the Lender that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this mortgage and that accordingly any suit, action or proceeding arising out of or in connection with this mortgage may be brought in such courts.
- 14.3 Nothing in this clause shall limit the Lender's right to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

The Schedule : the Property to be charged

29 to 34 Spring Street, Sussex Court and the passageway at the back of 29,30, & 31 Spring Street, London W2 1JA as the same is registered at Land Registry with freehold title absolute bearing title number LN198979

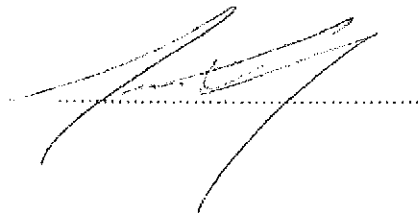
IN WITNESS whereof the parties have set their hands the day and year first above written

SIGNED as a DEED by

PALM TREE PROPERTIES LIMITED

By **ORION BENJAMIN TAMARY**, a Director

in the presence of:



Witness **SCOTT GRANT**

Signature **SG**

Name **SCOTT GRANT**

Address **SA RIDGE RD**

LONDON

NW2 2GR