



Registration of a Charge

Company Name: **THE FINE ART TRADE GUILD**

Company Number: **02942955**



XC5BRQEG

Received for filing in Electronic Format on the: **09/06/2023**

Details of Charge

Date of creation: **08/06/2023**

Charge code: **0294 2955 0002**

Persons entitled: **UNITY TRUST BANK PLC**

Brief description: **THE LEASEHOLD PROPERTY KNOWN AS UNIT 2, WYE HOUSE, 6 ENTERPRISE WAY, LONDON SW18 1FZ REGISTERED AT THE LAND REGISTRY WITH TITLE ABSOLUTE UNDER TITLE NUMBER TGL404020**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **SIMRAN PANESAR**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2942955

Charge code: 0294 2955 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th June 2023 and created by THE FINE ART TRADE GUILD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th June 2023 .

Given at Companies House, Cardiff on 14th June 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

made the 8 day of June 20 23

BETWEEN

- (1) **THE FINE ART TRADE GUILD** (company number 02942955) whose registered office is at 2 Wye House, 6 Enterprise Way, London, SW18 1FZ (the "**Chargor**"); and
- (2) **UNITY TRUST BANK PLC** whose address for service is Four Brindleyplace, Birmingham, B1 2JB ("**Unity**")

WITNESSES as follows:-

1. COVENANT TO PAY

- 1.1 The Chargor, as primary obligor and not merely as surety, covenants with Unity to pay or discharge to Unity the Secured Liabilities on the due date or dates for payment or discharge or, in the absence of any agreed or specified due dates, immediately on demand.
- 1.2 If the Chargor shall fail to pay any amount under this Legal Charge when it is due then such amount shall bear interest (after as well as before judgment and payable on demand) at the Default Rate from time to time from the due date until the date such amount is paid in full to Unity.

2. CHARGING CLAUSE

- 2.1 The Chargor with Full Title Guarantee charges and mortgages to Unity as a continuing security for the payment and discharge of the Secured Liabilities:
 - 2.1.1 by way of legal mortgage, the Property;
 - 2.1.2 by way of fixed charge:
 - 2.1.2.1 the benefit of all its rights, present and future, under covenants for title given in relation to the Property and the benefit of all its rights, present and future, against any lessee, sub-lessee, licensee or other occupier of the Property for the time being (including rights to rental income, licence fees, mesne profits and other income) and, in each case, its rights against guarantors and sureties for the obligations of such persons;
 - 2.1.2.2 the benefit of all its rights, present and future, under any contract for the sale, letting or other disposal of the Property and any option to renew any lease or purchase any reversion (whether freehold or not) in relation to the Property;
 - 2.1.2.3 the benefit of all its rights, present and future, against persons in connection with any works carried out and/or services and/or goods supplied in the design, construction, fitting out, repair or replacement of the Property;
 - 2.1.2.4 all licences, consents and authorisations (both public and private), present and future, held by it in connection with any of its activities at the Property (including any Licences);
 - 2.1.2.5 all other agreements relating to the Property which the Chargor is or may become party to or otherwise entitled;
 - 2.1.2.6 all its present and future plant and machinery located at the Property (save to the extent that such plant and machinery forms part of its stock in trade or work in progress);
 - 2.1.2.7 any other interest in the Property;

FORM OF CHARGE FILED AT H M LAND REGISTRY UNDER REFERENCE MD775E

- 2.1.2.8 any share held by the Chargor in any tenant's or occupier's management company affecting the Property or any estate of which the Property forms part;
 - 2.1.2.9 all its present and future office equipment located at the Property (save to the extent that such office equipment forms part of its stock in trade or work in progress);
 - 2.1.2.10 all other equipment present and future located at the Property not more particularly charged by this clause 2.1 (unless it forms part of its stock in trade or work in progress) together with all related spare parts, fuels, equipment, tools and all log books, maintenance records, record books, manuals, hand books, contracts, warranties and services records and the benefit of all its rights, present and future, against any person in respect of their design, manufacture, purchase, installation, repair and/or replacement;
 - 2.1.2.11 all its goodwill, present and future relating to any business carried on at the Property;
 - 2.1.2.12 all its right title and interest to receive rents and other payments under any lease or licence of the Property;
 - 2.1.2.13 all interests in and rights under policies of insurance and assurance now or at any time during the continuance of this security belonging to the Chargor, and all its rights, present and future, to other compensation monies from time to time payable in respect of the Charged Assets;
- 2.2 The fixed charges created by clause 2.1.2 inclusive shall, in each case, include all related spare parts, fuels, equipment, tools and all log books, maintenance records, record books, manuals, hand books, contracts, warranties and services records and the benefit of all its rights, present and future, against any person in respect of their design, manufacture, purchase, installation, repair and/or replacement.
- 2.3 The Chargor requests the Land Registry to enter a restriction in the following form in the Proprietorship Register of any registered land forming part of the Charged Assets now or in the future:
- "No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated 8 June 2023 in favour of Unity Trust Bank plc referred to in the Charges Register." and
- The Chargor further requests, where applicable, that a note of the obligation on the part of Unity to make further advances to the Chargor (which is deemed to be incorporated in this Legal Charge) is entered on the Register of Title of any registered land forming part of the Charged Assets now or in the future.

3. CONTINUING SECURITY

- 3.1 Without prejudice to the generality of clause 2, this Legal Charge secures all advances already made and to be made, and shall be a continuing security to Unity notwithstanding any settlement of account or other matter whatsoever.
- 3.2 This Legal Charge shall not be considered as satisfied or discharged by any intermediate payment, repayment or discharge of the whole or any part of the Secured Liabilities.

4 UNDERTAKINGS AND COVENANTS

The Chargor undertakes and covenants with Unity (save where Unity agrees in writing to the contrary): -

- 4.1 It will not, without the prior written consent of Unity, either in a single transaction or in a series of transactions whether related or not and whether voluntarily or involuntarily, sell or transfer the Charged Assets or any interest in any Charged Assets;
- 4.2 It will comply with the terms of this Legal Charge and all agreements relating to the Secured Liabilities;
- 4.3 It will comply with all covenants, agreements, stipulations and obligations now or at any time affecting or binding Charged Assets insofar as the same are subsisting and are capable of being enforced, and it will duly and diligently enforce all covenants, agreements, stipulations and obligations benefiting a Charged Assets and will not waive, release or vary (or agree to do so) the obligations of any other party thereto;
- 4.4 It will keep each Charged Asset in good and substantial repair and condition and, promptly after being required to do so by Unity, make good any want of repair of a Charged Asset or renew when necessary (in each case at the cost of the Chargor);
- 4.5 It will not do or permit to be done anything which may in any way adversely affect the value of a Charged Asset or jeopardise, depreciate or otherwise prejudice any rights or assets secured in favour of Unity;
- 4.6 It will obtain and maintain any permits, registrations, licences, exemptions, consents or other approvals required for its business or in respect of a Charged Asset (and file any notification, report or assessment required) under any Environmental Laws, and will comply in all material respects with all Environmental Laws;
- 4.7 It will not create or permit to subsist any Encumbrance on any Charged Asset other than in favour of Unity;
- 4.8 It will not enter into any amalgamation, demerger, merger or corporate reconstruction;
- 4.9 It will not make any structural or material alteration to or to the use of any Property or do or permit to be done any development of any Property or apply for any planning consent in relation to any Property or do or permit to be done any act, matter or thing which would have a material and adverse effect on the value or marketability of the Property in question;
- 4.10 It will not grant any Lease of, part with possession or share occupation of the whole or part of the Property or confer any licence, right or interest to occupy or grant any licence or permission to assign, under-let or part with possession of the same;
- 4.11 It will not vary, surrender, cancel or dispose of, or permit to be forfeited, any leasehold interest in any Property;
- 4.12 It will observe and perform all covenants, agreements and stipulations from time to time affecting any interest in the Property or contained in any lease, agreement for lease or other agreement under which any part of the Property may be held;
- 4.13 It will immediately upon the execution of the relevant Security Document (or upon coming into the possession of the Chargor at any time) deposit with Unity (i) all planning permissions, consents and licences and any other documents relating to the permitted use of any Charged Assets, and (ii) all deeds, certificates and other documents constituting or evidencing title to any asset which is subject to fixed security in favour of Unity including, without limitation, all certificates and other documents of title to the shares referred to in clause 2.1.2.8 above together with stock transfer forms in respect of the same executed in blank (except for the number and class of shares and the name of the transferor) and left undated. Unity may at any time after the date of this Legal Charge complete the instruments of transfer on behalf of the Chargor in favour of itself or such other person as it shall select;
- 4.14 It will, promptly on the request of Unity from time to time, give notice of assignment or charge (in such form as Unity may require) in respect of any asset which is the subject of an assignment or charge pursuant to a Finance Document and will use all reasonable

endeavours to procure that the recipient of that notices acknowledges receipt in a form satisfactory to Unity;

- 4.15 It will (at its own cost) on demand by Unity execute and deliver in such form as Unity may from time to time require a chattel mortgage over such chattels, plant and machinery located at the Property from time to time as Unity may specify; and the Chargor will execute such other deeds, documents, agreements and instruments and will otherwise do and concur in all such other acts or things as Unity may deem necessary for perfecting, preserving or protecting the security created (or intended to be created) by this Legal Charge or for facilitating the realisation of the Charged Assets or the exercise of any rights of Unity under this Legal Charge;
- 4.16 It will effect and maintain or ensure that there is effected and maintained at all times with an insurance company acceptable to Unity insurance in the names of the Chargor and Unity as co-insured (or if co-insurance is not available, in the name of the Chargor with the interest of Unity as first loss payee noted) in respect of:
- 4.16.1 the Property (including in respect of any Licences and any fixtures, equipment, furniture, plant or machinery in which it has an interest), against the Insured Risks to the full reinstatement value thereof (including the cost of demolition and professional fees) and the loss of rent, Licences, or business interruption cover for not less than three years; and
- 4.16.2 the Charged Assets to the full reinstatement value thereof,
- and Unity may, if it considers that the amount insured by, or the risks covered by, any such Insurance Policy are inadequate, require the Chargor to increase the amount insured by, and/or amend the category of risks covered by, any such Insurance Policy to such extent and in such manner as Unity may consider appropriate and the Chargor will promptly comply with such requirement;
- 4.17 It will notify Unity of renewals made and material variations or cancellations of Insurance Policies made or, to the knowledge of the Chargor, threatened or pending;
- 4.18 It will not do or permit anything to be done which may make void or voidable any Insurance Policy;
- 4.19 It will use all reasonable endeavours to ensure at all times that all Insurance Policies contain terms providing that it will not be invalidated so far as Unity is concerned for failure to pay any premium due without the insurer first giving to Unity not less than 30 days' written notice or for breach by the Chargor of any of the terms of the policy;
- 4.20 It will duly and punctually pay all premiums and other monies payable under all Insurance Policies and promptly, upon request by Unity, produce to Unity a copy or sufficient extract of every Insurance Policy together with the premium receipts or other evidence of the payment thereof;
- 4.21 It will notify Unity promptly of any event giving rise to a claim on any Insurance Policy in excess of 5% of the Secured Liabilities;
- 4.22 It will comply with all legislation relating to the Charged Assets including, without limitation, all laws relating to town and country planning, fire precautions and health and safety at work;
- 4.23 It will promptly pay or cause to be paid and indemnify Unity and any Receiver against all present and future rent, rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever now or at any time in the future payable in respect of the Property (or any part of it) or by the owner or occupier of the Property (or any part of it);
- 4.24 It will carry out all works, and maintain all arrangements which any relevant public or statutory authority may require recommend or direct to be carried out or maintained in relation to the Charged Assets;

- 4.25 It will notify Unity immediately upon the receipt of any notice, order, complaint or summons (or proposal for the same) from any statutory or other authority relating to the Charged Assets and to produce a copy of the same to Unity, and at the request of Unity (but at the cost of the Chargor) to make or join with Unity in making such objections to or representations against the same as Unity shall require;
- 4.26 It will, if the Chargor is in breach of any legislation, carry out with all reasonable speed such remedial steps as Unity or any Receiver shall require and, in default, Unity or any Receiver may (but shall not be obliged to) enter the Property and carry out such remedial steps at the expense of the Chargor;
- 4.27 It will permit any authorised representative of Unity or any Receiver to enter the Property for any reasonable purpose and on reasonable notice (including to take any steps or action which Unity is entitled to take under this Legal Charge and/or checking whether or not the Chargor is in breach of any legislation relating to the Property or its use or anything on or done on the Property, and carrying out at the expense of the Chargor environmental reports or audits), and to inspect the state of the same, and to provide to Unity or any Receiver such information in relation to the Property as it or he shall reasonably request, without thereby becoming a mortgagee in possession;
- 4.28 It will maintain its centre of main interests (COMI) for the purposes of EU Regulation on Insolvency Proceedings 2000 (No 1346/2000), in the United Kingdom;
- 4.29 It will promptly upon the request of Unity supply, or ensure the supply of, all such documentation, information and other evidence as is requested by Unity (for itself or on behalf of any prospective new lender) in order for Unity (or that prospective new lender) to carry out and be satisfied it has complied with all necessary "know your customer" or similar identification procedures and requirements;
- 4.30 It will promptly supply to Unity:
 - 4.30.1 true copies of all documents dispatched by it to its shareholders (or any class of them) or its creditors generally at the same time as they are dispatched;
 - 4.30.2 the details of any litigation, arbitration or administrative proceedings of which it is aware (whether current, threatened or pending against it), which might reasonably be expected to have a material adverse effect on the ability of the Chargor to comply with any of its obligations under any Finance Documents;
 - 4.30.3 a copy of any notice, order, directive, designation, resolution or proposal having application to or affecting a Charged Asset or the area in which it is situate, including any statutory notice;
 - 4.30.4 the occurrence of any Event of Default (or any event which might become an Event of Default) (and the steps, if any, being taken to remedy it); and
 - 4.30.5 such further information regarding the financial condition, business and operations of the Chargor, a Charged Asset or any other matter related to any Loan as Unity may request;
- 4.31 It will immediately notify Unity in the event of any creditor executing any distress against the Chargor and of any steps (including, without limitation, the making of any application or the giving of any notice) taken by any person (including, without limitation, the Chargor) in relation to the administration, winding up or dissolution of the Chargor;
- 4.32 It will carry on its business in a proper and efficient manner and not make any substantial alteration in the nature or conduct of that business;
- 4.33 It will affix to such items of the Charged Assets subject to a fixed charge under this Legal Charge or endorse or cause to be endorsed on such documents as Unity shall in each case stipulate any label, sign or memorandum required by Unity drawing attention to the security created by this Legal Charge;

- 4.34 Where the Property is subject to a Lease, it will:
- 4.34.1 diligently enforce the terms of the Lease against the lessee;
 - 4.34.2 not allow any assignment or underletting of the Lease without the prior written consent of Unity (which will not be unreasonably withheld);
 - 4.34.3 not waive, release or vary any obligation under, or agree to any surrender of, the Lease or exercise any option or right to break, determine or extend the Lease;
 - 4.34.4 not agree to any reduction in the rent or other income payable under the Lease;
 - 4.34.5 not waive, release or vary any obligation under the Lease.
- 4.35 Where it derives its estate or interest in the Property under a Lease, it will:
- 4.35.1 observe and perform all covenants, stipulations and obligations on the lessee under the Lease;
 - 4.35.2 diligently enforce all covenants on the part of the lessor under the Lease;
 - 4.35.3 not waive, release or vary any obligation under the Lease or exercise any option or power to break, determine or extend the Lease;
 - 4.35.4 not agree to any change in the rent payable under the Lease without the prior written consent of Unity;
 - 4.35.5 not do or permit anything whereby the Lease may be forfeited; and
 - 4.35.6 promptly notify Unity of any matter or event under or by reason of which the Lease has or may become subject to determination or to the exercise of any right of re-entry or forfeiture and, if so requested by Unity, the Chargor will apply for relief against forfeiture in accordance with the instructions of Unity;
- 4.36 It will not, without the prior written consent of Unity, enter or agree to enter into any agreement or undertaking relating to the Charged Assets under any legislation relating to town and country planning;
- 4.37 If requested by Unity, it will procure that any professional advisers appointed in connection with construction work on the Property enter into a Professional Warranty with Unity covering their respective professional obligations to Unity in a form satisfactory to Unity;
- 4.38 If requested by Unity, it will provide Unity with an environmental audit report carried out by a specialist surveyor or consultant and will implement any steps recommended to be implemented in any such report as soon as reasonably practicable;
- 4.39 If at the date of this Legal Charge or during its subsistence the Property is intended to be developed (or is in the course of development), to proceed with and complete such development with all due diligence and to the satisfaction of Unity and the relevant planning and other authorities, and in all respects in accordance with the relevant planning permissions, building regulation approvals and any other agreements with the relevant authorities (all of which shall have been previously submitted to and approved by Unity in writing), and also in accordance with any agreements entered into between Unity and the Chargor;
- 4.40 If any part or interest in the Property is compulsorily purchased or is expropriated, any payment paid to it will be applied in or towards repayment of the Secured Liabilities unless Unity agrees otherwise in writing;
- 4.41 To produce to Unity a copy of all environmental reports or audits obtained or received by the Chargor in respect of the Property, and on request to produce to Unity such other documents or information relating to the Property or the development thereof as Unity shall require;

- 4.42 Unity shall have the right to require a valuation of the Property once in any period of 12 months at the cost of the Chargor. Unity may require a valuation of the Property at any other time and the cost of that valuation shall be borne by Unity unless, at that time, an Event of Default is continuing (or is, in Unity's opinion, likely to occur) or the valuation discloses a breach of any financial covenant which is set out in any Facility Letter;
- 4.43 Any valuation obtained by Unity is for the purposes of making or continuing to make the Loan available to the Chargor and no responsibility is implied or accepted by Unity with respect to the valuation or condition of the Property by reason of such inspection and valuation report or Unity's willingness to lend on the Property. The Chargor bears the risk of all defects affecting the Property however severe and whether or not it was careless for Unity or a valuer to have missed or not referred to them. Any exclusions of responsibility or liability set out in any valuation report is given by Unity both on its own behalf and on behalf of its employees and any valuer; and
- 4.44 The Chargor must provide to Unity at least once in every 12 calendar month period (and at any time upon request), a schedule detailing:
- 4.44.1 each tenant of the Property (where the Property (or any part of it) is subject to any one or more tenancies (howsoever described));
- 4.44.2 the rent and service charge paid and payable by each tenant (where the Property (or any part of it) is subject to any one or more tenancies (howsoever described)); and
- 4.44.3 the insurance premia paid and payable in respect of the Property together with a copy of the current insurance schedule for the Property.

5. PROTECTION OF SECURITY

- 5.1 If the Chargor does not comply with its obligations under this Legal Charge in respect of any Insurance Policy, Unity may (without any obligation to do so) effect or renew any such Insurance Policy either in its own name or in its name and that of the Chargor with an endorsement of Unity's interest and the monies expended by Unity on so effecting or renewing any such insurance will be reimbursed by the Chargor to Unity on demand.
- 5.2 All premiums and other expenses incurred by Unity in connection with the insurance of the Charged Assets shall be paid or reimbursed by the Chargor to Unity immediately after they are paid or incurred by Unity.
- 5.3 Subject to the terms of any Insurance Policy and any Lease, all proceeds of insurance will be used, at the option of Unity in or towards reinstatement or repayment of the Secured Liabilities.
- 5.4 Unity shall have full power to settle and adjust with the insurers all questions with respect to the amount of any liability of the insurers and the Chargor irrevocably appoints Unity by way of security as the attorney of the Chargor on behalf of and in the name of the Chargor and to receive and give a good discharge for any monies arising in respect of the Charged Assets under any Insurance Policy, whether effected by Unity or not.
- 5.5 Unity may retain for its absolute use and benefit all sums allowed to Unity by way of commission and otherwise in respect of insurance or other business of the Chargor effected through Unity.
- 5.6 If there is any breach by the Chargor of its obligations under any Finance Document, Unity may (without any obligation to do so) carry out such works, or take such other action or steps as Unity considers appropriate to remedy the breach, in each case at the cost of the Chargor.
- 5.7 Unity shall be entitled, at its sole discretion, to have a valuation of the Charged Assets or any part of them carried out from time to time by an independent surveyor or valuer (appointed at Unity's sole discretion) and the Chargor consents to any such valuation report being prepared and agrees to provide such access and other assistance as may be reasonably required by

Unity for such purposes (including ensuring that any tenant or occupier shall ensure access and assistance is provided for the foregoing purposes).

- 5.8 The obligations of the Chargor under this Legal Charge and/or any other Finance Document shall not be affected by any act, omission, matter or thing which, would reduce, release or prejudice any of its obligations, including:
- 5.8.1 any time, waiver or consent granted to, or composition with the Chargor or other person;
 - 5.8.2 the release of the Chargor or any other person under the terms of any composition or arrangement with any creditor of the Chargor;
 - 5.8.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of the Chargor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - 5.8.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person;
 - 5.8.5 any amendment (however fundamental) or replacement of any Finance Document;
 - 5.8.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security;
 - 5.8.7 any insolvency or similar proceedings;
 - 5.8.8 the winding-up, dissolution, administration or reorganisation of the Chargor or any other person or any change in its status, function, control or ownership;
 - 5.8.9 any failure to take, or fully to take, any security agreed to be taken in relation to any of the Secured Liabilities;
 - 5.8.10 any failure to realise or fully to realise the value of, or any release, discharge, exchange or substitution of, any Security Document taken in respect of any of the Secured Liabilities; or
 - 5.8.11 any other act, event or omission which, but for this clause 5.8, might operate to discharge, impair or otherwise affect any of the obligations of the Chargor contained in this Legal Charge or any of the rights, powers or remedies conferred upon Unity by a Finance Document or by law.

6. ENFORCEMENT

- 6.1 This Legal Charge is immediately enforceable at any time after the occurrence of an Event of Default whereupon Unity may, without notice to the Chargor, in its absolute discretion:
- 6.1.1 enforce all or any part of this Legal Charge (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of any asset which is secured in favour of Unity; and
 - 6.1.2 whether or not it has appointed a Receiver, exercise all or any of the powers, authorisations and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Legal Charge) on mortgagees and on any Receiver or otherwise conferred by law on mortgagees or Receivers, and all other rights and powers conferred by this Legal Charge.
- 6.2 Unity shall not be entitled to exercise its rights hereunder where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

- 6.3 The power of sale or other disposal conferred on Unity and on the Receiver by any Finance Document shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Legal Charge.
- 6.4 Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Legal Charge or to the exercise by Unity of its right to consolidate all or any of the security constituted by this Legal Charge with any Security Document in existence at any time or to its power of sale, which powers may be exercised by Unity without notice to the Chargor on or at any time after the occurrence of an Event of Default.
- 6.5 The statutory powers of leasing may be exercised by Unity at any time on or after the occurrence of an Event of Default and Unity and the Receiver may make any Lease or agreement for lease, accept surrenders of Leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925.
- 6.6 The protection given to purchasers from a mortgagee in Sections 104 and 107 of the Law of Property Act 1925 and Section 42(3) of the Insolvency Act 1986 will apply equally to purchasers and any other persons dealing with a Receiver or Unity and no purchaser or other person dealing with Unity or any Receiver will be bound to see or inquire whether the right of Unity or such Receiver to exercise any of its or his powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of Unity or such Receiver in such dealings.
- 6.7 No person advancing monies or making available credit to any Receiver will be concerned to enquire as to the propriety or purpose of the exercise of the Receiver's powers or to see to the application of any monies so raised or borrowed.
- 6.8 Neither Unity nor any Receiver will be liable to account as mortgagee or mortgagee in possession in respect of any asset which is secured in favour of Unity or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever in connection with any asset which is secured in favour of Unity for which a mortgagee or mortgagee in possession might as such be liable.
- 6.9 Unity and any Receiver may from time to time delegate by power of attorney or otherwise to any person any of the powers and discretions of Unity or the Receiver under any Finance Document (whether arising by statute, the provisions of any Finance Document or otherwise) upon such terms and for such periods of time as it may think fit and may determine any such delegation. Neither Unity nor any Receiver will be liable to the Chargor for any loss or damage arising from any act, default, omission or misconduct of any such delegate and references in this Legal Charge to Unity or to any Receiver will where the context so admits include references to any such delegates so appointed.
- 6.10 No statutory or other power of granting or agreeing to grant or of accepting or agreeing to accept surrenders of leases or tenancies of the whole or any part of the Property will be capable of being exercised by the Chargor without the prior written consent of Unity.
- 6.11 The powers conferred hereunder or by any Finance Document on Unity and any Receiver are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law and in the case of any conflict between the powers contained in any such Act and those conferred by this Legal Charge the terms of herein will prevail.
- 6.12 At any time after this Legal Charge becomes enforceable, all voting rights in respect of all shares charged by clause 2.1.2.8 may be exercised (without obligation to do so) by Unity (or its nominee) in such a manner as it shall (in its absolute discretion) see fit and all dividends and other distributions payable in respect of such shares shall be paid to and retained by Unity and may be applied by Unity in accordance with clause 8.

- 6.13 At any time after this Legal Charge becomes enforceable, Unity may redeem any prior mortgage, charge or encumbrance in respect of all or any of the Charged Assets or procure the transfer of them to itself and may settle the accounts of the prior mortgagee, chargee or encumbrancer and any accounts so settled will be, in the absence of manifest error, conclusive and binding on the Chargor. All money paid by Unity to the mortgagee, chargee or encumbrancer in accordance with such accounts shall form part of the Secured Liabilities.

7. APPOINTMENT AND POWERS OF RECEIVER

- 7.1 Unity may at any time after having been requested to do so by the Chargor or after this Legal Charge becomes enforceable, by deed or otherwise (acting through an authorised officer of Unity), without prior notice to the Chargor:

- 7.1.1 appoint one or more persons to be a Receiver of the whole or any part of any asset which is secured in favour of Unity;
- 7.1.2 remove (so far as it is lawfully able) any Receiver so appointed;
- 7.1.3 appoint another person(s) as an additional or replacement Receiver(s); and/or
- 7.1.4 appoint one or more persons to be an administrator of the Chargor.

- 7.2 Each person appointed to be a Receiver pursuant to this Legal Charge will be:

- 7.2.1 entitled to act individually or together with any other person appointed or substituted as Receiver;
- 7.2.2 deemed for all purposes to be the agent of the Chargor and the Chargor shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for Unity; and
- 7.2.3 entitled to remuneration for his services at a rate to be fixed by Unity from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

- 7.3 The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of Unity under the Law of Property Act 1925 (as extended by this Legal Charge), the Insolvency Act 1986 (as extended by this Legal Charge) or otherwise and such powers shall remain exercisable from time to time by Unity in respect of any part of any asset which is secured in favour of Unity.

- 7.4 Each Receiver will be the agent of the Chargor (which will be solely liable for his acts, defaults and remuneration) and will have and be entitled to exercise in relation to the Chargor all the powers set out in Schedule 1 to the Insolvency Act 1986 and all the powers conferred from time to time on receivers by statute and in particular by way of addition to but without prejudice to those powers (and those of Unity) the Receiver will have:

- 7.4.1 all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- 7.4.2 all the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor itself could do or omit to do; and
- 7.4.3 the power to do all things (including bringing or defending proceedings in the name or on behalf of the Chargor) which seem to the Receiver to be incidental or conducive to:
 - 7.4.3.1 any of the functions, powers, authorities or discretions conferred on or vested in him;

7.4.3.2 the exercise of any rights, powers and remedies of Unity provided by or pursuant to this Legal Charge or by law (including realisation of all or any part of any asset which is secured in favour of Unity); or

7.4.3.3 bringing to his hands any assets of the Chargor forming part of, or which when got in would be, Charged Assets.

- 7.5 The receipt of Unity or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any asset which is secured in favour of Unity or making any acquisition, Unity or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.
- 7.6 No purchaser or other person dealing with Unity or any Receiver shall be bound to inquire whether the right of Unity or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of Unity or such Receiver in such dealings.
- 7.7 Any liberty or power which may be exercised or any determination which may be made under this Legal Charge by Unity or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.
- 7.8 Unity will not incur any liability (either to the Chargor or to any other person whatsoever) in respect of any contracts, engagements, acts, omissions, defaults or losses of a Receiver or for any liabilities incurred by him or for any misconduct by him or for his remuneration by reason of its appointing a Receiver or of its having made or given any regulation or direction to the Receiver for any other reason whatsoever.
- 7.9 The provisions of this Legal Charge will not confer on Unity any right in equity to any fittings, furniture, vehicles, goods, livestock, equipment or materials so far as this Legal Charge constitutes a Bill of Sale.

8. ORDER OF PAYMENTS AND APPLICATION OF PROCEEDS

- 8.1 If Unity receives a payment that is insufficient to discharge all of the Secured Liabilities Unity shall apply that payment towards the Secured Liabilities in such order as Unity requires.
- 8.2 All moneys received or recovered by Unity or any Receiver pursuant to this Legal Charge or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied towards the following items in the following order:
- 8.2.1 first, in the payment of all costs, charges and expenses of and incidental to the Receiver's appointment and his remuneration;
- 8.2.2 second, in the payment or the discharge of any liabilities incurred by a Receiver in the exercise of any powers of the Receiver;
- 8.2.3 third, in providing for the matters (other than the remuneration of the Receiver) specified in the first three paragraph of Section 109 (8) of the Law of Property Act 1925 (in or towards any payment of any debts or claims which are by statute payable in preference to Unity but only to the extent to which such debts or claims shall have such preference); and
- 8.2.4 fourth, in or towards the satisfaction of the Secured Liabilities in such order as Unity shall direct; and
- 8.2.5 thereafter, any surplus being paid to the person then entitled to such surplus.

The above shall override any appropriation made by the Chargor.

9. SECURITY POWER OF ATTORNEY

- 9.1 The Chargor by way of security agrees to irrevocably appoint Unity and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable to:
- 9.1.1 carry out or fulfil any obligation imposed on that Chargor by any Finance Document or by this Legal Charge (including the execution and delivery of any deeds, charges, assignments, notices or other security and any transfers of any asset which is secured in favour of Unity); and/or
 - 9.1.2 enable Unity or any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to any Finance Document, by this Legal Charge or by law (including, after any Security Document becomes enforceable, the exercise of any right of a legal or beneficial owner of any asset which is secured in favour of Unity).
- 9.2 The Chargor agrees to ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

10 INDEMNITIES

- 10.1 Unity, the Receiver and every attorney, manager, agent, employee or other person appointed by Unity or the Receiver under or in connection with this Legal Charge shall be indemnified on demand by the Chargor in respect of all liabilities, costs, losses and expenses incurred by it or him in the execution (or purported execution) of any of the powers, authorities or discretions vested in it or him pursuant to the terms of this Legal Charge (or by any law or regulation) and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way in connection with or relating to all or any of the Charged Assets and Unity, the Receiver or any such other person may retain and pay all sums in respect of the same out of the money received under the powers conferred by this Legal Charge.
- 10.2 The indemnity under clause 10.1 shall not apply to the extent that any such liability, cost, loss and/or expense arises as a result of the wilful default or gross negligence of Unity or the Receiver.
- 10.3 The Chargor will, on demand, indemnify Unity against any cost, loss or liability (including any breakage costs and loss of margin) incurred by Unity as a result of:
- 10.3.1 the occurrence of any Event of Default or investigating any event which it reasonably believes is a Event of Default or is likely to give rise to an Event of Default;
 - 10.3.2 any failure by the Chargor to pay any amount due under a Finance Document on its due date;
 - 10.3.3 a Loan not being made on the date requested by the Chargor by reason or the operation of any one or more of the provisions of a Finance Document or any part of a Loan not being prepaid in accordance with any notice of prepayment given by the Chargor or being repaid on its due date;
 - 10.3.4 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or
 - 10.3.5 any claim, proceeding or investigation under any Environmental Laws in connection with the Chargor or the Property,

and any such cost, loss or liability may include, without limitation the cost of having to liquidate or re-deploy funds acquired or committed to make, fund or maintain any Loan or any part of it, or liquidating or varying transactions entered into in order to match, hedge or fund any Loan or any part of it.

11. COSTS AND EXPENSES

The Chargor shall pay or reimburse to Unity on demand (on a full indemnity basis) all costs, charges and expenses (including legal fees) incurred or to be incurred by Unity in the creation, registration, perfection, enforcement, discharge, preservation of rights and/or assignment of any Finance Document (including, without limitation, the costs of any proceedings in relation to this Legal Charge or the Secured Liabilities), which costs, charges and expenses shall form part of the Secured Liabilities.

12. NO LIABILITY

None of Unity, its nominee(s) or any Receiver will be liable by reason of taking any action permitted by this Legal Charge and/or any Finance Document or any neglect or default in connection with any asset which is secured in favour of Unity or taking possession of or realising all or any part of any asset which is secured in favour of Unity, except in the case of gross negligence or wilful default upon its part.

13. CONSOLIDATION AND SET OFF

- 13.1 This Legal Charge and each Security Document shall be security not only for the moneys primarily provided for it but also for all moneys which may be or become owing by the Chargor to Unity on any account and (save at the discretion of Unity) no Charged Asset held by Unity shall be released until the Secured Liabilities has been paid in full.
- 13.2 The Chargor authorises Unity to apply any credit balance to which the Chargor is entitled on any account of the Chargor with Unity in satisfaction of the Secured Liabilities.
- 13.3 All payments to be made to Unity under the Finance Documents shall be calculated and made without (and free and clear of any deduction for) set-off or counterclaim.
- 13.4 Unity may at any time after the making of a demand for payment (and without notice to the Chargor) combine or consolidate all or any of the then existing accounts between Unity and the Chargor (including accounts in the name of the Chargor jointly with another), and may set-off or transfer any sum standing to the credit of any one or more of such accounts in or towards satisfaction of the Secured Liabilities.

14. PAYMENTS

- 14.1 All payments by the Chargor to Unity must be made to such account as Unity may notify to the Chargor from time to time. Time of payment by the Chargor is of the essence. Payments are sent at the risk of the Chargor and Unity is not responsible for loss of or delay to payments sent by or to the Chargor.
- 14.2 Sterling is the currency of account and payment for any sum due from the Chargor, save that:
 - 14.2.1 each payment in respect of costs, expenses or taxes shall be made in the currency in which the costs, expenses or taxes are incurred; and
 - 14.2.2 any amount expressed to be payable in a currency other than sterling shall be paid in that other currency.

15. NOTICE OF CHARGE OR DISPOSAL

- 15.1 On receiving notice that the Chargor has encumbered or disposed of the Property or any of the Charged Assets, Unity shall be entitled to close the Chargor's then current account or accounts and to open a new account or accounts with the Chargor and (without prejudice to Unity's right to combine accounts) no monies paid in or carried to the Chargor's credit in any such new account(s) shall be appropriated towards, or have the effect of discharging, any part of the amount due to Unity on such closed account(s).
- 15.2 If Unity does not open such new account or accounts, it shall nevertheless be treated as if it had done so at the time when it received such notice.

- 15.3 As from that time, all payments made by the Chargor to Unity shall be credited or be treated as having been credited to such new account or accounts, and shall not operate to reduce the amount due from the Chargor to Unity at the time when it received such notice.

16. OTHER PROVISIONS

- 16.1 If Unity considers that any amount paid to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the Chargor under this Legal Charge will continue and such amount will not be considered to have been irrevocably paid.
- 16.2 A certificate signed by an official or manager of Unity as to the amount of the Secured Liabilities shall be conclusive evidence save in the case of manifest error or on any question of law.
- 16.3 If any event of default (howsoever described) in any agreement between Unity and the Chargor occurs then (while it is continuing unwaived) Unity shall be entitled to initiate an investigation of, and/or instruct the preparation of a report (accounting, legal, valuation or other) on, the business and affairs of the Chargor which Unity considers necessary to ascertain the financial position of the Chargor, all fees and expenses incurred by Unity in so doing being payable by the Chargor.
- 16.4 The Chargor hereby consents to the provision by Unity of all information in relation to the Chargor which Unity provides to any person in relation to the preparation of a report as is referred to in clause 16.3 above.
- 16.5 If at any time any provision of this Legal Charge is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will be in any way affected or impaired.
- 16.6 No failure or delay by Unity in exercising any right or remedy under this Legal Charge shall operate as a waiver, and no single or partial exercise shall prevent further exercise of any right or remedy.
- 16.7 Unity will be entitled to disclose to, its auditors, advisers or applicable regulatory authority or any other person that enters or proposes to enter into any assignment, transfer, securitisation or other disposition of any part of any right or obligation in relation to the Secured Liabilities confidential information concerning this Legal Charge or any arrangement made or to be made in connection with this Legal Charge.
- 16.8 Save to the extent expressly provided to the contrary in this Legal Charge, a third party (being any person other than the Chargor or Unity and their permitted successors and assigns) may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and no consent of any third party is required for any amendment, variation or termination of this Legal Charge.
- 16.9 This Legal Charge may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute one agreement.
- 16.10 Unity and any Receiver may as the agent of the Chargor remove, store, sell, dispose of, use or otherwise deal with any items located at the Property and not forming part of the Charged Assets on such terms as Unity or any Receiver shall think fit. If the Chargor is a company registered under any of the Companies Acts or a body registered or governed by the Co-operative and Community Benefit Societies Act 2014, the net proceeds of the sale of any items pursuant to this clause 16.10 (after deduction of all costs incurred by Unity or any Receiver of (and/or ancillary to) such removal, storage, sale or disposal) shall be applied in or towards the discharge of the Secured Liabilities. If the Chargor is an individual or individuals, the net proceeds of the sale of any items pursuant to this clause 16.10 (after deduction of all costs incurred by Unity or any Receiver of (and/or ancillary to) such removal,

storage, sale or disposal) shall be paid by Unity or any Receiver to the Chargor as soon as reasonably practicable following demand.

17. CERTIFICATE OF NON-CONTRAVENTION

Other than where it is an individual, the Chargor certifies that this Legal Charge does not contravene any of the provisions of the Chargor's Memorandum and Articles of Association or its Rules or other constitution as the case may be.

18. ASSIGNMENT

18.1 Unity may at any time:

18.1.1 assign all or any of its rights and benefits under this Legal Charge; or

18.1.2 transfer or otherwise dispose of all or any of its rights, benefits and obligations under this Legal Charge to any bank or financial institution as determined by Unity.

18.2 The Chargor may not assign or transfer any of its rights, benefits or obligations under this Legal Charge save with the prior written consent of Unity.

19. DEMANDS AND NOTICES

19.1 Any demand or notice given by Unity under this Legal Charge may be:

19.1.1 by letter addressed to the Chargor sent by first class post to or left at the Chargor's last known address to Unity or at the Chargor's registered office; or

19.1.2 by fax or other electronic means to the Chargor's last known fax number or electronic mail address.

19.1.3 If sent by post, the demand or notice will be taken to have been made or given at noon the second day following the date the letter was posted. If sent by fax or other electronic means, the demand or notice will be taken to have been made or given at the time of transmission.

19.2 Unless otherwise advised by Unity any notices given by the Chargor to Unity under this Legal Charge will be delivered to Unity's office detailed on the front of this Legal Charge.

20. DEFINITIONS AND INTERPRETATION

20.1 In this Legal Charge where the context so admits: -

"Charged Assets" means all property (including where the context admits, without limitation, the Property), assets and rights of the Chargor, both present and future which are for the time being subject to the security created by or pursuant to this Legal Charge and (unless the context requires otherwise) shall include each and every part thereof;

"Default Rate" means the rate of interest payable in accordance with the terms of any Finance Documents setting out the terms of the Secured Liabilities in relation to any amount which is not paid on the due date for payment;

"Encumbrance" means any mortgage, charge, assignment by way of security, pledge, lien (save where arising by operation of law in the usual course of business), hypothecation, preferential right (save as arising under the general law for the protection of certain classes of creditors) or trust or other arrangement made for the purpose of or having an economic or financial effect similar to that of security, or other security interest of any kind;

"Environmental Laws" means all laws, directives, regulations and codes of practice having effect in the United Kingdom from time to time which either legislate for or which in any way directly or indirectly concern the protection of the environment, human health, conditions in the workplace or the generation, transportation, storage, treatment or disposal of substances

of any description which either alone or in combination with other substances are capable of causing harm to any living organism or to material objects or structures;

"Event of Default" means:

- (a) any event of default, howsoever described, under a Finance Document;
- (b) any of the Secured Liabilities are not paid or discharged when the same ought to be paid or discharged by the Chargor (whether on demand, at scheduled maturity, by acceleration or otherwise, as the case may be); or
- (c) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Chargor or by any other person to appoint an administrator in respect of the Chargor;
- (d) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Chargor or by any other person to wind up or dissolve the Chargor or to appoint a liquidator, trustee, receiver, administrative receiver or similar officer of the Chargor or any part of its undertaking or assets;
- (e) the making of a request by the Chargor for the appointment of a Receiver or administrator; or
- (f) if the Chargor breaches any of the provisions of this Legal Charge;

"Facility Letter" means any letter of offer, facility letter or offer to make further loans to the Chargor in which Unity agrees to provide loan facilities or other financial accommodation to the Chargor (as amended, supplemented or varied from time to time).

"Finance Documents" means any Facility Letter, this Legal Charge, any other Security Document, any other document from time to time being a Finance Document for the purposes of any Facility Letter;

"Insurance Policy" means each contract or policy of insurance or assurance relating to the Charged Assets and/or any business carried on from the Property and in which the Chargor has an interest;

"Insured Risks" means fire, explosion, collision, impact, storm, flood, lightning, landslip, subsidence, burst pipes, malicious damage, acts of terrorism, three months' loss of rent, third party and public liability and such other risks as Unity may from time to time reasonably require;

"Lease" means any lease, underlease, sub-lease, licence, tenancy or right to occupy all or any part of the Property and any agreement for the grant of a Lease;

"Licences" includes (but is not limited to) justices licences, supper hours licences, gaming licences, extended hours licences, premises licences, certificates of registration in respect of a nursing home or a residential home or any other licences required for or related to the Chargor's business or use of the Charged Assets;

"Loan" means the loan or loans made or to be made by Unity to the Chargor pursuant to the terms of any Facility Letter or the principal amount of that loan outstanding for the time being;

"Professional Warranties" means each deed of collateral warranty granted in favour of Unity by (but not limited to) any architect, building contractor, engineer, quantity surveyor, construction manager or other person employed by the Chargor, or a third party in respect of the Property;

"Property" means the property or properties described in the Schedule to this Legal Charge or any of them as the context requires and shall include all buildings, structures, fixtures (including trade and tenant's fixtures) from time to time on or in any such property;

"Receiver" means any person, whether or not an employee or officer of Unity, appointed by Unity as a receiver and/or manager of the security given by the Chargor to Unity whether such appointment is pursuant to the Law of Property Act 1925 or otherwise;

"Secured Liabilities" means:

- (a) all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and of whatsoever amount) (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to Unity by the Chargor and whether or not Unity shall have been an original party to the relevant transaction,
- (b) All costs, charges and expenses incurred hereunder by Unity and/or or any Receiver, and all other monies paid by Unity and/or any Receiver in connection with this Legal Charge or the Property or the Charged Assets including without prejudice to the generality of the foregoing, all costs and expenses under clause 11.
- (c) interest discount commission or other lawful charges and expenses which Unity may, in the course of its business, charge in respect of any of the matters aforesaid or for keeping the Chargor's accounts(s), and so that interest shall be computed and compounded according to the usual mode of Unity as well after as before any demand or judgment or the insolvency of the Chargor;

"Security Document" means this Legal Charge, any other Encumbrance creating or purporting to create security over assets of the Chargor as security for the Secured Liabilities from time to time and any guarantee, indemnity or other surety obligation relating to the Secured Liabilities from time to time;

20.2 Where "the Chargor" includes two or more persons or bodies: -

20.2.1 the liabilities of such persons or bodies shall be joint and several, and any event referred to in this Legal Charge shall be deemed to have happened if it happens in relation to any one of those persons or bodies

20.2.2 all monies, obligations and liabilities due, owing or incurred by the Chargor to Unity shall mean all monies, obligations and liabilities of all, or any one or more, of such persons or bodies to Unity

20.3 Where "the Chargor" are the trustees of an unincorporated association, covenants and obligations entered into by the Chargor are entered into so as to bind the trustees and the members of such association from time to time and the assets of such association, but not so as to make the trustees personally liable beyond the extent to which such assets are (or ought to be) under the control of such trustees or otherwise available to satisfy such covenants.

20.4 Where the persons forming the "Chargor" are carrying on business in partnership under a firm name the monies and liabilities hereby secured shall (notwithstanding any change in the composition of the partnership) include the monies and liabilities which shall at any time hereafter be due, owing or incurred to Unity by the person or persons from time to time carrying on the partnership business under that name or under any name in succession and the expression "the Chargor" shall be construed in this way.

20.5 Where a restrictive obligation is imposed on the Chargor, it shall be deemed to include an obligation on the Chargor not to permit or suffer such restrictive obligation to be done by any other person.

20.6 The singular shall include the plural and the masculine the feminine and neuter and vice versa.

20.7 The clause headings in this Legal Charge are for ease of reference and do not affect the construction of the relevant clauses.

- 20.8 Each of the provisions of this Legal Charge shall be severable and distinct from one another and if one or more of such provisions is invalid or unenforceable the remaining provisions shall not in any way be affected.
- 20.9 Reference to any Act or legislation includes reference to the Act or legislation as for the time being amended, replaced or re-enacted and includes reference to any sub-ordinate legislation (including any European Community law which is applicable in the United Kingdom) order regulation or direction made under or by virtue of that Act or legislation.
- 20.10 References to "Unity" include persons deriving title under Unity its successors and assigns and any company with which it may amalgamate to the intent that this Legal Charge shall constitute a continuing security in favour of such new company as if it had been expressly named herein instead of Unity.
- 20.11 References to the "Chargor" include its successors and assigns his/their executors and administrators and (in addition) any committee receiver administrator or other person lawfully acting on behalf of every such party (though no personal liability shall attach to any authorised agent or attorney signing as such) and if this Legal Charge is executed by two or more parties the word "Chargor" shall be construed to refer to each of such parties separately as if each such party had executed a separate charge in the form of this Legal Charge.
- 20.12 References to this "Legal Charge" shall be construed as including each separate or independent stipulation or agreement herein contained.
- 20.13 References to a "person" include any person, firm, company, corporation, government, state or agency of a state, association, unincorporated body of persons, trust or partnership (whether or not having a separate legal personality) and any two or more of the foregoing.

21. GOVERNING LAW

This Legal Charge is governed by and will be construed in accordance with English Law and the Chargor submits to the non-exclusive jurisdiction of the English courts.

IN WITNESS whereof this Deed has been executed by the Chargor and is intended to be and is hereby delivered on the date first above written.

Schedule

The Property

Registered Land

The leasehold property known as Unit 2, Wye House, 6 Enterprise Way, London SW18 1FZ registered at the Land Registry with title absolute under title number TGL404020


THIS IS AN IMPORTANT DOCUMENT, SIGN ONLY IF YOU WANT TO BE LEGALLY BOUND.
YOU ARE RECOMMENDED TO TAKE INDEPENDENT LEGAL ADVICE BEFORE SIGNING.

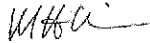
EXECUTED AS A DEED by the

CHARGOR by affixing

the Common Seal of THE FINE ART


TRADE GUILD in the presence of:-


) Greta Mangat
) 90 Victor Road
) TW11 8SS



Chairman and Master of the Guild

Authorised Signatory

 Managing Director

Authorised Signatory

