



Registration of a Charge

Company name: **THE HELPING FOUNDATION**

Company number: **05070736**



X79MWFH

Received for Electronic Filing: **06/07/2018**

Details of Charge

Date of creation: **29/06/2018**

Charge code: **0507 0736 0032**

Persons entitled: **HSBC BANK PLC**

Brief description: **THE FREEHOLD PROPERTY KNOWN AS THE HOTEL BALTIC RIVERSIDE, SOUTH SHORE ROAD, GATESHEAD REGISTERED AT THE LAND REGISTRY WITH TITLE NUMBE TY493939.**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

GATELEY PLC



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5070736

Charge code: 0507 0736 0032

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th June 2018 and created by THE HELPING FOUNDATION was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th July 2018 .

Given at Companies House, Cardiff on 10th July 2018

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 29 JUNE 2018

(1) THE HELPING FOUNDATION

and

(2) HSBC BANK PLC

THIRD PARTY LEGAL CHARGE

relating to
The Hotel Baltic Riverside, South Shore
Road, Gateshead

HSBC 

HSBC Bank plc

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THIS DEED is made on

29 JUNE

2018

BETWEEN:

- (1) **THE HELPING FOUNDATION**, a company incorporated and registered under the laws of England and Wales with registered number 05070736 whose registered office is at 59 Kings Road, Prestwich, Manchester, M25 0LQ (the **Chargor**) and
- (2) **HSBC BANK PLC** (the "**Lender**").

IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Deed:

"Affiliate"	means a Subsidiary of a company, a Holding Company of that company or any other Subsidiary of that Holding Company
"Authorisations"	means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration
"Borrowers"	means Gateshead JI Estates NO1. Ltd, a company incorporated and registered under the laws of England and Wales with registered number 11179912 whose registered office is at Flat 1 Allanadale Court, Waterpark Road, Salford, Manchester M7 4JN and Gateshead JI Estates NO2. Ltd, a company incorporated and registered under the laws of England and Wales with registered number 11179885 whose registered office is at Flat 1 Allanadale Court, Waterpark Road, Salford, Manchester M7 4JN
"Facility Agreement"	means the LIBOR term loan facility agreement dated on or about the date hereof between the Borrowers and the Lender (as may be varied, restated, supplemented and/or amended from time to time
"Hedging Agreement"	means any master agreement, confirmation, schedule or other agreement entered into or to be entered into by any Borrower to which the Lender is the counterparty for the purpose of hedging interest rate liabilities and/or any exchange rate or other risks in relation to all or part of the Secured Liabilities and shall include all trades conducted thereunder
"Holding Company"	has the meaning given in section 1159 of the Companies Act 2006
"Interest Rate"	means the rate of interest payable on any facility secured by the Security
"Land"	has the meaning given to that term in section 205(1) of the Law of Property Act 1925 but for these purposes " Land " excludes heritable property situated in Scotland
"Lease"	means any lease, underlease, tenancy, licence or other right of occupation to which the Property is from time to time subject together with any related guarantee or other security for the performance of the lessee's obligations
"Legal Reservations"	has the meaning given to it in the Facility Agreement

"Property"	means all the Land specified in the Schedule (<i>The Property</i>)
"Receiver"	means a receiver and/or manager of any or all of the Chargor's assets appointed by the Lender under the Security
"Secured Liabilities"	means all monies from time to time due or owing and all other actual or contingent liabilities from time to time incurred by the Borrowers to the Lender (including any under any Hedging Agreement)
"Security"	means the Security Interests created or intended to be created by or pursuant to this Deed
"Security Assets"	means all the Chargor's assets which are from time to time the subject of Security
"Security Interest"	means a mortgage, charge, assignment, pledge, lien, standard security, assignation or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
"Subsidiary"	has the meaning given in section 1159 of the Companies Act 2006
"Trust"	means the trust for the Chargor as declared in the Trust Deed
"Trust Deed"	means the trust deed dated on or around the date of this Deed made between (1) the Trustee and (2) the Chargor in respect of the Property
"Trustee"	means Welling Properties Ltd (company number 10197311) whose registered office is at 1 Allandale Court Waterpark Road, Salford, Manchester, United Kingdom, M7 4JN

1.2 Construction

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

- (a) "**assets**" includes present and future properties, revenues and rights of every description;
- (b) "**the Lender**" shall be construed to include its successors in title, permitted assigns and permitted transferees;
- (c) a "**disposal**" includes a lease, licence, transfer, sale or other disposal of any kind;
- (d) "**includes**" or "**including**" shall be read and construed as including the phrase "**without limitation**";
- (e) this "**Deed**" or any other agreement or instrument is a reference to this Deed, or other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the Borrower's obligations or provides for further advances);
- (f) a provision of law is a reference to that provision as amended or re-enacted;
- (g) the singular includes the plural and vice versa;

- (h) any Land includes:
 - (i) all or any part of it;
 - (ii) all buildings, fixtures (including trade fixtures), fittings and fixed plant or machinery at any time on that property;
 - (iii) all easements, servitudes, rights and agreements in respect of that property;
 - (iv) all rents from and proceeds of sale of that property; and
 - (v) the benefit of all covenants given in respect of that property.

- 1.2.2 When any provision of this Deed refers to an approval or consent by the Lender that provision shall be construed so as to require that consent or approval to be given in writing.
- 1.2.3 Where any of the Chargor or the Borrowers include two or more entities a reference to the Chargor shall mean to each of the entities severally as well as all of the entities jointly.
- 1.2.4 Where any of the Chargor or the Borrowers are a natural person, references to 'its' and 'it' shall be read and construed as references to 'his' and 'him' or 'her' as applicable.
- 1.2.5 References to clauses and paragraphs are to be construed, unless otherwise stated, as references to clauses and paragraphs of this Deed.
- 1.2.6 Clause headings are for ease of reference only and shall not affect the construction of this Deed.
- 1.2.7 Defined terms in the Facility Agreement shall carry the same meaning in this Deed unless otherwise defined herein or the context otherwise requires.
- 1.2.8 If the Lender reasonably considers that an amount paid by the Chargor under this Deed or the Borrower is capable of being avoided or otherwise set aside on the bankruptcy, liquidation or administration of the Chargor or the Borrower, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.3 Third party rights

Only a Receiver has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.4 Law of Property (Miscellaneous Provisions) Act 1989

The terms of all other documents entered into between the Chargor and the Lender are incorporated in this Deed to the extent required to ensure that any disposition of the Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.5 Delivery

The parties intend this Deed to be delivered on the first date specified on page 1 of this Deed and that this document shall take effect as a deed notwithstanding the fact that the Lender may only execute this document under hand.

1.6 PROPERTY HELD ON TRUST

- 1.6.1 The Property is held by the Trustee in trust for the Chargor, which is a non-exempt charity (registered charity number 1104484), but this charge is not one falling within section 124(9) of the Charities Act 2011 so that the restrictions on dispositions imposed by sections 124 of that Act apply to the Property.
- 1.6.2 The directors of the Chargor, being the persons who have the general control and management of its administration certify that they have power under the provisions establishing the charity and regulating its purposes and administration to effect this charge and that they have obtained and considered the advice referred to in section 124(2) of the Charities Act 2011 and complied with the requirements of section 124(2) of the Act so far as is applicable.

2. Further advances

This Deed is made to secure any further advances or other facilities but it does not create any obligation on the Lender to make any further advances or make other facilities available.

3. NATURE OF SECURITY

3.1 Nature of security

All Security and dispositions created or made by or pursuant to this Deed are created or made in favour of the Lender with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 as security for the discharge of the Secured Liabilities.

3.2 Trust

If or to the extent that for any reason the assignment or charging of any Security Asset is prohibited, the Chargor shall:

- 3.2.1 hold it on trust for the Lender as security for the payment and discharge of the Secured Liabilities; and
- 3.2.2 take such steps as the Lender may require to remove the impediment to assignment or charging it.

4. GRANT OF SECURITY

4.1 Charges

The Chargor charges and agrees to charge in favour of the Lender:

- 4.1.1 by way of first equitable charge all the Chargor's present and future right, title and interest in or to the Property; and
- 4.1.2 by way of first fixed charge of the Chargor's interest in:
- (a) all licences to enter upon or use land and the benefit of all other agreements relating to the Property;
 - (b) the benefit of any rental deposit given or charged to the Chargor by any occupier of the Property; and
 - (c) the proceeds of sale of all Property;

4.1.3 by way of first fixed charge (insofar as not mortgaged by Clause 4.1.1 or charged by Clause 4.1.2):

- (a) all present and future rents and other sums due to the Chargor under any Lease;
- (b) all plant and machinery and the benefit of all contracts, licences and warranties relating to the same.

4.2 Security assignments

4.2.1 The Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities):

- (a) all of its present and future right, title and interest in and to the Trust Deed;
- (b) sums which shall from time to time become payable to the Chargor by the Trustee or otherwise under the Trust Deed or any provision of it; and
- (c) all of its present and future right, title and interest arising out of or in connection with any breach or default by the Trustee of or under any of the terms or obligations of the Trust Deed.

4.2.2 To the extent that any right referred to in Clause 4.2.1 is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all the Chargor's present and future rights and claims to any proceeds of such rights.

4.3 Notice of Security

The Chargor must immediately give notice of the grant of the Security to the Trustee and shall procure that the Trustee acknowledges such notice in writing.

4.4 Preservation of assets

The Lender is not obliged to take any steps necessary to preserve any of the Chargor's assets, to enforce any term of any contract or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Deed.

4.5 Limited Recourse

Notwithstanding any other provision of this Deed, the liability of the Chargor under this Deed is limited to the proceeds of realisation of its beneficial interest in the Property and the Trust Deed from time to time and such liability will only be satisfied by the proceeds of sale, disposal or realisation of its beneficial interest in the Property and its interest in the Trust.

5. REPRESENTATIONS

5.1 General

The Chargor makes the representations and warranties set out in this Clause 5 (*Representations*) to the Lender on the date of this Deed and on each day the Secured Liabilities are outstanding.

5.2 Status

It is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.

5.3 Binding obligations

- 5.3.1 Its obligations in this Deed are legal, valid, binding and enforceable obligations (Subject to the Legal Reservations).
- 5.3.2 The Security Interests which this Deed purports to create are valid and effective and are not liable to be avoided or otherwise set aside on its bankruptcy, liquidation, death or administration (subject to the Legal Reservations).

5.4 Non-conflict with other obligations

The entry into and performance by the Chargor of its obligations under this Deed and the granting of the Security do not and will not conflict with:

- 5.4.1 any law or regulation applicable to it;
- 5.4.2 (if the Chargor is not an individual) its constitutional documents; or
- 5.4.3 any agreement or instrument binding upon the Chargor or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

5.5 Power and authority

- 5.5.1 The Chargor has the power to enter into, perform and deliver, and have taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the grant of the Security.
- 5.5.2 No limit on the Chargor's powers will be exceeded as a result of the grant of the Security.

5.6 Validity and admissibility in evidence

All Authorisations required or desirable to enable it lawfully to enter into, and comply with its obligations under this Deed and to grant the Security have been obtained or effected and are in full force and effect.

5.7 Solvency

As at the date of this Deed, it is able to meet its debts as they fall due and is not deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or any analogous provision in any relevant jurisdiction.

5.8 Security

- 5.8.1 No Security Interest exists over the Security Assets other than as permitted by this Deed.
- 5.8.2 The Security has or will have first ranking priority and it is not subject to any prior ranking or *pari passu* ranking Security Interest.
- 5.8.3 The Chargor is the sole beneficial owner of the Security Assets.

5.9 Centre of main interest and establishments

For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the "**Regulation**"), the Chargor's "*centre of main interest*" (as that term is used in Article 3(1) of the Regulation) is situated in England and Wales and it has no "*establishment*" (as that term is used in Article 2(h) of the Regulation) in any other jurisdiction.

5.10 Trust Deed

5.10.1 The Chargor is entitled under the Trust Deed and in law to create security over the Trust Deed in the manner set out in this Deed.

5.10.2 The Trust Deed is capable of being charged to the Lender.

6 GENERAL UNDERTAKINGS

6.1 Negative pledge

The Chargor shall not create or permit to subsist any Security Interest over the Security Assets without the consent of the Lender.

6.2 No disposals

Unless the Lender consents, the Chargor shall not make any disposal of any Security Assets.

7 FURTHER ASSURANCE

The Chargor shall at its own expense ensure any documents are executed and any acts and things are done which the Lender may reasonably require from time to time for:

7.1 giving effect to, perfecting or protecting the Security;

7.2 facilitating the realisation of any Security Asset;

7.3 facilitating the exercise of all powers, authorities and discretions vested in the Lender or in any Receiver; or

7.4 perfecting any Security over any assets acquired by the Chargor after the date of this Deed.

8 ENFORCEMENT

8.1 Remedying defaults

The Lender or a Receiver may (but is not obliged to) take any action to remedy a failure by the Chargor to observe and perform the provisions of this Deed at the Chargor's cost.

8.2 Timing of enforcement

8.2.1 The Secured Liabilities are deemed to have become due on the date of this Deed.

8.2.2 Subject to any grace or standstill period set out in and in accordance with the Facility Agreement, the Security shall become enforceable on the earlier of:

(a) the date the Lender demands repayment of any of the Secured Liabilities;

(b) the date of an Event of Default that is continuing;

(c) the date the Chargor breaches a provision of this Deed or a Borrower breaches any document evidencing the facilities to which the Secured Liabilities relate; and

(d) the Chargor's request.

8.2.3 Neither section 93(1) nor section 103 of the Law of Property Act 1925 shall apply to this Deed.

8.3 Powers of the Lender

8.3.1 At any time after the Security becomes enforceable or if requested by the Chargor, the Lender may without further notice (unless required by law):

- (a) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
- (b) appoint or apply for the appointment of any person as the Chargor's administrator (if the Chargor is a company); and/or
- (c) exercise all or any of the powers conferred on mortgagees by the Law of Property Act 1925 (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver.

8.3.2 The Lender is not entitled to appoint a Receiver in respect of any Security Assets which are subject to Security which (as created) was a floating charge solely by reason of a moratorium being obtained under Schedule A1 to the Insolvency Act 1986 or anything done with a view to obtaining such a moratorium.

8.4 No liability

Neither the Lender nor any Receiver shall be liable as a mortgagee in possession or otherwise to account in relation to the Security Assets for any loss on realisation or for any other default or omission. No exercise of the right in Clause 8.1 (*Remedying defaults*) shall render the Lender or a Receiver a mortgagee in possession.

9. RECEIVER

9.1 Removal and replacement

The Lender may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

9.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

9.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Lender (or, failing such agreement, to be fixed by the Lender) and section 109(6) of the Law of Property Act 1925 shall not apply.

9.4 Payment by Receiver

Only monies actually paid by a Receiver to the Lender in relation to the Secured Liabilities shall be capable of being applied by the Lender in discharge of the Secured Liabilities.

9.5 Chargor's agent

Any Receiver shall be the Chargor's agent and the Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the

payment of his remuneration. The Lender shall not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

10. POWERS OF RECEIVER

10.1 General powers

Any Receiver shall have:

- 10.1.1 all the powers which are conferred by the Law of Property Act 1925 on mortgagees in possession and receivers appointed under that Act but without the restrictions contained in sections 103 or 109(1) of that Act;
- 10.1.2 (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- 10.1.3 all powers which are conferred by any other law conferring power on receivers.

10.2 Additional powers

In addition to the powers referred to in Clause 10.1 (*General powers*), a Receiver shall have the following powers:

- 10.2.1 to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- 10.2.2 to manage the Security Assets as he thinks fit;
- 10.2.3 to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Law of Property Act 1925, and, without limitation:
 - (a) fixtures may be severed and sold separately from the Property containing them, without the Chargor's consent;
 - (b) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (c) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- 10.2.4 to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to abandon, complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- 10.2.5 to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the Chargor's name and, for that purpose, to enter into covenants and other contractual obligations in the Chargor's name and so as to bind it;
- 10.2.6 to take any such proceedings in the Chargor's name as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);

- 10.2.7 to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- 10.2.8 to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Lender shall direct);
- 10.2.9 to appoint and employ such managers, officers and workmen and engage such professional advisers in respect of the Security Assets as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ any firm, partner, company or other entity with which he is associated);
- 10.2.10 to:
 - (a) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;
 - (b) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
 - (c) use the Chargor's name for any of the above purposes.

10.3 Limitation

- 10.3.1 The Lender may in the instrument by which a Receiver is appointed limit the powers of the Receiver.
- 10.3.2 The Receiver shall be under no duty to the Chargor to exercise any power he may have and shall not incur any liability to the Chargor either by virtue of the exercise of such powers or by virtue of a failure to exercise such powers.

11. APPROPRIATION OF RECEIPTS

11.1 Application

- 11.1.1 Subject to Clause 11.2 (*Suspense account*), any monies received by the Lender in respect of the Security (subject to the payment of any claims having priority to the Security, but in substitution for section 109(8) of the Law of Property Act 1925) shall be applied in the following order of priority:
 - (a) in discharging the remuneration of any Receiver and all costs, charges and expenses of and incidental to his or her appointment;
 - (b) in or towards payment or discharge of the Secured Liabilities; and
 - (c) in payment of the surplus (if any) to the Chargor or other person entitled to it.
- 11.1.2 The Lender may apply sums received towards the payment or discharge of the Secured Liabilities in reduction of any part of the Secured Liabilities in any order or manner as it thinks fit. The Lender may override any appropriation made by the Chargor.

11.2 Suspense account

Any monies received by the Lender or any Receiver may be placed in an interest bearing suspense or securities realised account and kept there for so long as the Lender considers prudent.

12. SET-OFF

- 12.1 The Lender may (but shall not be obliged to) set off any obligation which is due and payable by the Chargor and unpaid or any contingent obligation from the Chargor against any obligation (whether or not matured) owed by the Lender to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- 12.2 If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation.

13. CURRENCY CONVERSION

All monies received or held by the Lender or any Receiver under this Deed may be converted from their existing currency into such other currency as the Lender or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Liabilities in that other currency at the Lender's spot rate of exchange.

14. NEW ACCOUNT

If the Lender receives or is deemed to be affected by notice (whether actual or constructive) of any subsequent Security Interest affecting some or all of the Security Assets or their proceeds of sale, then the Lender may open a new account for the Chargor. If it does not do so, it shall nevertheless be treated as if it had done so at the time when it received, or was deemed to have received, the notice. As from that time, any payment made to the Lender for the Chargor's account shall be credited (or be treated as having been credited) to the new account and shall not operate to reduce the amount for which the Security applies.

15. DELEGATION AND APPOINTMENT OF ATTORNEYS

15.1 Delegation

- 15.1.1 The Lender may delegate to any person or persons all or any of the powers, authorities and discretions which are exercisable under this Deed. A delegation may be made in any manner (including by power of attorney) in and on any terms (including power to sub-delegate) which the Lender thinks fit.
- 15.1.2 The Lender shall not be liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any of its delegates or sub-delegates.

15.2 Attorneys

- 15.2.1 By way of security, the Chargor irrevocably appoints the Lender, every Receiver and every delegate or sub-delegate appointed under Clause 15.1 (*Delegation*) separately to be its attorney on its behalf, in its name:
- (a) to execute and do any documents, acts and things which the Chargor is required to execute and do under this Deed or any other document relating to the Secured Liabilities; and
 - (b) to execute and do any documents, acts and things which any attorney may deem proper or desirable in exercising any powers, authorities and discretions conferred by this Deed, any other document relating to the Secured Liabilities or by law on the Lender or any Receiver.
- 15.2.2 The Chargor ratifies and confirms anything which any of its attorneys does in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause 15.2 (*Attorneys*).

16. **REDEMPTION OF PRIOR SECURITY INTERESTS**

16.1 **Redemption**

The Lender may at any time redeem, or procure the transfer to it of, any prior Security Interest over any Security Assets at the Chargor's cost.

16.2 **Costs of redemption**

All principal monies, interest, costs, charges and expenses incurred in and incidental to any redemption or transfer under Clause 16.1 (*Redemption*) shall be paid by the Chargor on demand, in each case together with interest calculated in the manner referred to in Clause 20 (*Indemnities*).

17. **RELEASES**

17.1 **Releases conditional**

17.1.1 Any release, settlement, discharge, re-assignment or arrangement in respect of the Security (in this Clause 17 (*Releases*), a "**release**") made by the Lender on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided, reduced, clawed back or ordered to be repaid under any law relating to liquidation, bankruptcy or insolvency.

17.1.2 If any avoidance, reduction, or clawback occurs or any order is made as referred to in Clause 17.1.1, then the release shall have no effect and shall not prejudice the Lender's right to enforce the Security in respect of the Secured Liabilities. As between the Chargor and the Lender, the Security shall (notwithstanding the release) be deemed to have remained at all times in effect and held by the Lender as security for the Secured Liabilities.

17.2 **Retention**

17.2.1 If and for so long as any assurance, security or payment as is mentioned in Clause 17.1 (*Releases conditional*) remains in the reasonable opinion of the Lender susceptible of being avoided, reduced, clawed back or ordered to be repaid under any law relating to liquidation, bankruptcy or insolvency, the Lender may in its absolute discretion retain all or part of the Security and other rights under this Deed as security for the Secured Liabilities after they have been paid and discharged in full.

17.2.2 If, at any time while all or part of the Lender's rights under this Deed are so retained:

- (a) an application is made to a competent court for a winding-up or bankruptcy order to be made in respect of the Chargor;
- (b) steps are taken to wind the Chargor up or make the Chargor bankrupt;
- (c) an application is made to a competent court for an administration order to be made in respect of the Chargor;
- (d) a notice of intention to appoint an administrator to the Chargor is filed at court; or
- (e) the appointment of an administrator to the Chargor takes effect,

then the Lender may continue to retain all or part of its rights under this Deed for any further period as the Lender may reasonably determine.

18. CONTINUING SECURITY

18.1 Continuing security

The Security is continuing security and shall secure the ultimate balance of the Secured Liabilities, notwithstanding:

- 18.1.1 intermediate payment or discharge of the whole or part of the Secured Liabilities;
- 18.1.2 the Chargor's death, bankruptcy, liquidation or other incapacity or any change in its constitution, name or style;
- 18.1.3 any change in the Lender's constitution, name or style, its absorption in or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person; or
- 18.1.4 any other event, matter or thing.

18.2 Additional to other rights

The Security is in addition to (and shall not merge with, otherwise prejudice or affect or be prejudiced or affected by) any other remedy, guarantee, indemnity, Security Interest or other right which may be or have been created (by the Chargor or otherwise) in favour of the Lender. Accordingly, the Chargor's liability under this Deed shall not be prejudiced or affected by, and this Deed may be enforced notwithstanding:

- 18.2.1 the existence or invalidity of all or any of those rights; or
- 18.2.2 at any time, the Lender exchanging, releasing, varying, abstaining from perfecting or enforcing or otherwise dealing or omitting to deal with all or any of those rights.

19. THIRD PARTY PROTECTION

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

- 19.1 to enquire whether any of the Secured Liabilities have become due or payable or remain unpaid or undischarged;
- 19.2 whether the power which the Lender or Receiver is purporting to exercise has become exercisable; or
- 19.3 to see to the application of any money paid to the Lender or to a Receiver.

20. INDEMNITIES

Subject to clause 4.5 (*Limited Recourse*), the Chargor agrees to fully indemnify the Lender and any Receiver (and in the case of legal costs and expenses on a solicitor and own client basis) on demand against all liabilities, losses, claims, actions, damages, costs and expenses incurred by, made or brought against the Lender or Receiver (or any manager or agent appointed by the Lender or Receiver):

- 20.1 as a result of the Chargor's failure to perform any of its obligations under this Deed;
- 20.2 in the exercise (or purported exercise) of any of the powers or other rights conferred by this Deed;
- 20.3 in respect of any costs, charges or expenses incurred in connection with Clause 13 (*Currency Conversion*);

- 20.4 in respect of the redemption of any prior Security Interest over any Security Asset under Clause 16 (*Redemption of Prior Security Interests*)
- 20.5 as a result of the Chargor's breach of any current or other obligation or matter relating to the Property; or
- 20.6 in respect of any other matter or thing done or omitted relating to the Security Assets,

together in each case with interest at the Interest Rate calculated on a daily basis from the date it is incurred or becomes payable to the Lender or the Receiver until the date of payment, whether before or after any judgment.

21. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by the Lender specifying the amount of the Secured Liabilities is, in the absence of manifest error, conclusive evidence against the Chargor of the matters to which it relates.

22. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

23. REMEDIES AND WAIVERS

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

24. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended only if the Chargor and the Lender agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

25. TRANSFER AND CONFIDENTIALITY

25.1 Transfer

- 25.1.1 The Lender may assign and/or transfer its rights and obligations under this Deed to another bank or financial institution or trust, fund or other entity which is regularly engaged in or established for the purposes of making, purchasing or investing in loans securities or other financial assets.
- 25.1.2 The Lender must provide the Chargor with written notice not less than 10 Business Days before it makes any assignment or transfer unless the assignment or transfer is to an Affiliate of the Lender or at any time whilst an Event of Default is continuing.
- 25.1.3 The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Deed.

25.2 Confidentiality

The Lender may disclose to:-

- 25.2.1 any transferee or potential transferee;
- 25.2.2 any assignee or potential assignee;
- 25.2.3 any person with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to or including the Liabilities;
- 25.2.4 any ratings agency;
- 25.2.5 any of the officers, directors, employees, professional advisers, auditors, partners and representatives of the persons referred to in Clauses 25.2.1 to 25.2.4;
- 25.2.6 any of its Affiliates and any of its or their officers, directors, employees, professional advisers, auditors, partners and representatives;
- 25.2.7 any person to whom information is required or requested to be disclosed by any court of a competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
- 25.2.8 any person to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes; and
- 25.2.9 any insurance company or underwriters in relation to the insurance of the Properties,

such confidential information as the Lender shall consider appropriate if, in relation to Clause 25.2.1 to 25.2.3 (inclusive) and Clause 25.2.5 above, the person to whom the confidential information is to be given has entered into a Confidentiality Agreement except that there shall be no requirements for a Confidentiality Agreement if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the confidential information or is otherwise bound by requirements of confidentiality in relation to the confidential information they receive.

26. INCONSISTENCY

The Chargor shall be entitled to rely on clause 35.4 of the Facility Agreement as if it were a Borrower.

27. COUNTERPARTS

This Deed may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same instrument and any party may enter into this Deed by executing a counterpart.

28. NOTICES

28.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing in the English language and, unless otherwise stated, must be made by letter.

28.2 Addresses

The Lender may deliver any communication, document or notice to the Chargor relating to this Deed to its registered office, to any address to which a notice under any facility relating to the Secured Liabilities might be sent or any additional address the Chargor may notify to the Lender by not less than five business days' notice.

28.3 **Delivery**

- 28.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective when it has been left at the relevant address or five business days after being deposited in the post, postage prepaid, in an envelope addressed to it at that address.
- 28.3.2 Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose).

29. **GOVERNING LAW**

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

30. **ENFORCEMENT**

30.1 **Jurisdiction**

- 30.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including disputes regarding the existence, validity or termination of this Deed, the Security Interests intended to be created by it or any non-contractual obligations arising out of or in connection with it) (a "**Dispute**").
- 30.1.2 The Chargor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly it will not argue to the contrary.
- 30.1.3 This Clause 30.1 is for the benefit of the Lender only. The Lender may take proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

IN WITNESS whereof the Chargor has executed this Deed as a deed the year and date appearing on the first page of it.

THE SCHEDULE

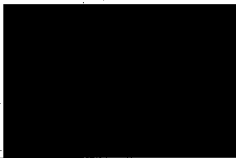
THE PROPERTY


Address	Administrative Area	Title number
The freehold property known as The Hotel Baltic Riverside, South Shore Road, Gateshead	Tyne and Wear Gateshead	TY493939

EXECUTION PAGE

THE CHARGOR

EXECUTED as a DEED by SIR WEIS and BENNY STONE
directors and charitable trustees of THE HELPING
FOUNDATION


signature _____ Director
SIR WEIS
print name


signature _____ Director
Benny Stone
print name

THE LENDER

SIGNED for and on behalf of
HSBC BANK PLC

)
)

Communications to the Lender are to be delivered to:

Address for Service: HSBC Bank Plc, London Commercial Banking Centre, Level 6, 71 Queen Victoria
Street, London, EC4V 4AY United Kingdom.

For the Attention of: Jamie Scott