

100207/13

In accordance with
Sections 859A and
859J of the Companies
Act 2006

MR01

Particulars of a charge



Companies House

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

You can use the WebFiling
Please go to www.companieshouse.gov.uk

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

☐ **What this form is NOT for**
You may not use this form to
register a charge where the charge is
instrument Use form MR01



A10

A4ZFFFSW

26/01/2016

#49

COMPANIES HOUSE

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

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

1 Company details

Company number 06132055

Company name in full ☒ BENTLEY-LEEK PROPERTIES (JV3) LTD

For official use

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

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 18/01/2016

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

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

Name ☒ BML UTILITY CONTRACTORS LTD

Name

Name

Name

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

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

MR01

Particulars of a charge

4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

✓

14 Thackeray Close, London, SW19 4JL
Terraced House
Title Number SGL140252

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☐ Yes

☒ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☐ Yes Continue

☒ No Go to **Section 7**

✓ Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

8

Trustee statement ^①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X *B. M. W. L. A. S.* X

This form must be signed by a person with an interest in the charge

**Presenter information**

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

Contact name **Ronnie Ilan**

Company name **Surj Legal Limited**

Address **Devonshire House**

582 Honeypot Lane

Post town **Stanmore**

County/Region **Middlesex**

Postcode **H A 7 1 J S**

Country

DX

Telephone **02033977590**

**Certificate**

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

**Checklist**

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

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

**Important information**

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

**How to pay**

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'

**Where to send**

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

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

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

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

**Further information**

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6132055

Charge code: 0613 2055 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th January 2016 and created by BENTLEY-LEEK PROPERTIES (JV3) LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th January 2016.

P

Given at Companies House, Cardiff on 28th January 2016



Companies House



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

DATED *18th January* 2016

LEGAL MORTGAGE OF PROPERTY

between

BML UTILITY CONTRACTORS LTD (Lender)

and

BENTLEY-LEEK PROPERTIES (JV3) LTD (Borrower)

Certified as a true copy of the original.

A J 7211/2016
Solicitor



GISBY
HARRISON

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THIS DEED is dated *18th January 2016*

PARTIES

- (1) **BML UTILITY CONTRACTORS LTD** a company registered in England & Wales with company number 06579615 whose registered office address is at Devonshire House, 582 Honeypot Lane, Stanmore, Middlesex HA7 1JS
(Lender)
- (2) **BENTLEY-LEEK PROPERTIES (JV3) LTD** a company registered in England & Wales with company number 06132055 whose registered office address is at Devonshire House, 582 Honeypot Lane, Stanmore, Middlesex HA7 1JS
(Borrower)

BACKGROUND

- (A) The Lender has agreed under the Agreement to provide the Borrower with the Loan on a secured basis such security being a third legal mortgage ranking behind the Priority Lender's first legal mortgage and the Second Lender's second legal mortgage
- (B) The Borrower is the owner of the Property
- (C) This mortgage provides security which the Borrower has agreed to give the Lender for the Loan
- (D) The Loan will be repaid on the Repayment Date
- (E) The parties wish to take advantage of one of the exceptions set out in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) (RAO)

AGREED TERMS

1. INTERPRETATION

The following definitions and rules of interpretation apply in this mortgage

Definitions

Agreement: the loan agreement dated *23rd* December 2015 between the Borrower and the Lender for the provision of the Loan secured by this mortgage

Business Day: a day other than a Saturday, Sunday or a public holiday in England when banks in London are open for business

Encumbrance: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect

Event of Default: any event or circumstance listed in *Schedule 5*

Loan: the sum of £800,000 plus interest pursuant to the terms of the Agreement

LPA 1925: the Law of Property Act 1925

Priority Lender: Funding 365 Limited a company registered in England & Wales with number 08488034 whose registered office is at 145-157 St John Street London EC1V 4PW

Property: the freehold property owned by the Borrower described in *Schedule 1*

Repayment Date: each of the dates specified in *Schedule 6* for repaying the Loan

Second Lender FUNDING 365 CAPITAL LIMITED (Registered Company Number 09442964) whose registered office address is 20-22 Wenlock Road, London N1 7GU

Secured Liabilities: all present and future monies, obligations and liabilities owed by the Borrower to the Lender under or in connection with the Loan, the Agreement and this mortgage

Security Period: the period starting on the date of this mortgage and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding

VAT: value added tax chargeable under the Value Added Tax Act 1994

A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time

A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision

A reference to laws in general is a reference to all local, national and directly applicable supra-national laws as amended, extended or re-enacted from time to time and shall include all subordinate laws made from time to time under them and all orders, notices, codes of practice and guidance made under them

Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders

Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular

Unless the context otherwise requires, references to clauses and Schedules are to the clauses and Schedules of this mortgage and references to paragraphs are to paragraphs of the relevant Schedule

A reference to **this mortgage** (or any provision of it) or to any other document referred to in this mortgage is a reference to this legal mortgage, that

provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties

A reference to a **person** includes a natural person, corporate or unincorporated body, or any state or any agency of any person

A reference to an amendment includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly)

Clause, Schedule and paragraph headings shall not affect the interpretation of this mortgage

If there is an inconsistency between a defined term in this mortgage and in the Agreement, the provisions of this mortgage shall prevail

A reference in this mortgage to a charge or mortgage of, or over, the Property includes

- (a) all buildings and fixtures and fittings which are situated on, or form part of, the Property at any time,
- (b) the proceeds of sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property,
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Property and any monies paid or payable in respect of those covenants, and
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of the Property

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

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

2. LOAN

The Lender provides to the Borrower, the Loan, on the terms and subject to the conditions of this mortgage

3 PURPOSE OF LOAN

The Borrower shall use the Loan to fund the development at the Property as contemplated by the terms of the Agreement

4. COVENANT TO PAY

The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities on the Repayment Date or, if earlier, on an Event of Default

5. GRANT OF SECURITY

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower charges the Property, with full title guarantee, to the Lender by way of a third legal mortgage ranking behind the Priority Lender's first legal mortgage [additional wording for second mortgage]

6. PERFECTION OF SECURITY

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

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated 2016 in favour of BML Utility Contractors Ltd referred to in the charges register "

7. REPRESENTATIONS AND WARRANTIES

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

8. COVENANTS

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

9. POWERS OF THE LENDER

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

10. ENFORCEMENT OF SECURITY

10.1 When security becomes enforceable

The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this mortgage) shall, as between the Lender and a purchaser from the Lender, arise on and be exercisable at any time after the execution of this mortgage, but the Lender shall not exercise such power of sale or other powers until an Event of Default occurs (whether or not such an Event of Default is still continuing) whereupon it shall become immediately exercisable

10.2 When statutory powers arise

Section 103 of the LPA 1925 (restricting the power of sale) does not apply to the security constituted by this mortgage

11 COSTS

The Borrower shall pay to, or reimburse the Lender on demand, on a full indemnity basis, all costs and liabilities incurred by the Lender, in relation to

This mortgage or the Property

Suing for, or recovering, any of the Secured Liabilities

Including, without limitation, the costs of any proceedings in relation to this mortgage or the Secured Liabilities or incurred in or suffered by any default or delay by the Borrower in performing any of its obligations under this mortgage

12. RELEASE

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

13. ASSIGNMENT AND TRANSFER

13.1 Assignment by the Lender

The Lender may assign or transfer the whole or any part of the Lender's rights and/or obligations under this mortgage to any person

13.2 Assignment by the Borrower

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

14. CONTINUING SECURITY

14.1 Continuing security

This mortgage shall remain in full force and effect as a continuing security for the Secured Liabilities unless and until the Lender discharges this mortgage in writing

14.2 Rights cumulative

The rights and remedies of the Lender provided under this mortgage are cumulative, may be exercised as often as the Lender considers appropriate,

and are in addition to, and not exclusive of, any rights and remedies provided by law

14.3 Waivers

Any waiver of any right or remedy by the Lender under this mortgage or by law is only effective if given in writing and signed by the Lender and shall not be deemed a waiver of any other breach or default. It applies only in the circumstances for which it is given, and shall not prevent the Lender from subsequently relying on the relevant provision.

14.4 Further exercise of rights

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

14.5 Delay

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

15 COUNTERPARTS

This mortgage may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one deed.

16. NOTICES

Any notice or other communication given under, or in connection with, this mortgage must be in writing.

Any notice or other communication given or delivered under this mortgage must be

- (a) delivered by hand,
- (b) sent by pre-paid first-class post or other next working day delivery service, or
- (c) sent by fax

Any notice or other communication to be given or delivered under this mortgage must be sent to the relevant party as follows

- (d) to the Borrower at

Devonshire House, 582 Honeypot Lane, Stanmore, Middlesex HA7 1JS

marked for the attention of Mr L A Gold

(e) to the Lender at

Devonshire House, 582 Honeypot Lane, Stanmore, Middlesex HA7 1JS

marked for the attention of Mr B McNicholas

with a copy to be sent to 1 Warrengate Road, North Mymms, Hatfield, Hertfordshire AL9 7TT marked for the attention of Mr B McNicholas

or as otherwise specified by the relevant party by notice in writing to each other party

Any notice or other communication that the Lender gives to the Borrower under, or in connection with, this mortgage will be deemed to have been received

- (f) if delivered by hand, at the time it is left at the relevant address,
- (g) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting, and
- (h) if sent by fax, when received in legible form

A notice or other communication given as described in clause 16(f) or clause 16(h) on a day which is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day

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

A notice or other communication given under or in connection with this mortgage is not valid if sent by e-mail

This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution

17 GOVERNING LAW

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

18 JURISDICTION

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

19. THIRD PARTY RIGHTS

A person who is not a party to this mortgage shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this mortgage

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

Schedule 1 Property

All the freehold land with title number SGL140252 being at 14 Thackeray Close
Wimbledon London SW19 4JL

Schedule 2 Representations and warranties

1 OWNERSHIP OF PROPERTY

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

2. NO ENCUMBRANCES

The Property is free from any Encumbrances other than the Encumbrance created by this mortgage or the Priority Lender's first legal mortgage or the Second Lender's second legal mortgage

3. ADVERSE CLAIMS

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

4 ADVERSE COVENANTS

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

5. NO BREACH OF LAWS

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

6 NO INTERFERENCE IN ENJOYMENT

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

7 NO OVERRIDING INTERESTS

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

8. AVOIDANCE OF SECURITY

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

9 NO PROHIBITIONS OR BREACHES

There is no prohibition on the Borrower assigning its rights in the Property and the entry into this mortgage by the Borrower does not and will not

constitute a breach of any policy, agreement, document or instrument binding on the Borrower or its assets

Schedule 3 Covenants

Part 1. General covenants

1. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

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

- (a) create or permit any Encumbrance on, or in relation to, the Property other than any Encumbrance created by this mortgage and or the Priority Lender's first legal mortgage,
- (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner all or any part of, or any interest in, the Property, or
- (c) create or grant any interest in the Property in favour of a third party

2. PRESERVATION OF PROPERTY

The Borrower shall not do, or permit to be done, any act or thing which would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender or materially diminish the value of any of the Property or the effectiveness of the security created by this mortgage

3. ENFORCEMENT OF RIGHTS

The Borrower shall use its reasonable endeavours to enforce any rights and start, continue or defend any proceedings relating to any of the Property which the Lender may require from time to time

4. COMPLIANCE WITH LAWS

The Borrower shall comply with all laws and regulations for the time being in force relating to or affecting any Property and shall obtain and promptly renew from time to time and comply with the terms of all consents which may be necessary to enable it to preserve, maintain or renew any Property

5. NOTICE OF BREACHES

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

- (a) any representation or warranty set out in *Schedule 2*, and
- (b) any covenant set out in *Schedule 3*

Part 2 Property covenants

1. REPAIR AND MAINTENANCE

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

2. NO ALTERATIONS

2.1 The Borrower shall not, save for the development contemplated at the date of the Agreement, without the prior written consent of the Lender

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

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

3. DEVELOPMENT RESTRICTIONS

The Borrower shall not, without the prior written consent of the Lender (save that any prior written consent for planning permission or development consent required for the development contemplated at the date of the Agreement shall not be required)

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

4. INSURANCE

4.1 The Borrower shall insure and keep insured the Property against fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, escape of water or oil, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion, malicious damage, theft or attempted theft, falling trees and branches and aerals, subsidence, heave, landslip, collision, accidental damage to underground services, public liability to anyone else and any other risks which the Landlord reasonably requires to be insured against from time to time

- 4.2 The Borrower shall, if requested by the Lender, produce to the Lender the policy, certificate or cover note relating to any such insurance required by paragraph 4.1 of this Part 2, Schedule 3

5 INSURANCE PREMIUMS

The Borrower

- (a) shall promptly pay all premiums in respect of any insurance policy on the Property and do all other things necessary to keep such policy in full force and effect, and
- (b) shall (if the Lender so requires) produce to the Lender the receipts for all premiums and other payments necessary for effecting and keeping up the insurance policies

6. NO INVALIDATION OF INSURANCE

The Borrower shall not do or omit to do or permit to be done or omitted any thing that may invalidate or otherwise prejudice any insurance policies relating to the Property

7 INSURANCE POLICIES' PROCEEDS

All monies payable under any of the insurance policies relating to the Property at any time (whether or not the security constituted by this mortgage has become enforceable) shall

- (a) immediately be paid to the Lender, or
- (b) if they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower upon trust for the Lender

8 LEASES AND LICENCES AFFECTING THE PROPERTY

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

- (a) grant, or agree to grant, any licence or tenancy affecting the whole or any part of the Property, or exercise the statutory powers of leasing (or agreeing to lease) or of accepting (or agreeing to accept) surrenders under sections 99 or 100 of the LPA 1925, or
- (b) in any other way dispose of (or agree to dispose of), accept the surrender of (or agree to accept the surrender of), surrender (or agree to surrender) or create any legal or equitable estate or interest in the whole or any part of the Property, or
- (c) let any person into occupation of or share occupation of the whole or any part of the Property, or

- (d) grant any consent or licence under any lease or licence affecting the Property

9. NO RESTRICTIVE OBLIGATIONS

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

10. PROPRIETARY RIGHTS

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

11. COMPLIANCE WITH AND ENFORCEMENT OF COVENANTS

The Borrower shall

- (a) observe and perform all covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject and (if the Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed, and
- (b) diligently enforce all covenants, stipulations and conditions benefiting the Property and shall not (and shall not agree to) waive, release or vary any of the same

12. NOTICES OR CLAIMS RELATING TO THE PROPERTY

The Borrower shall

- 12.1 Give full particulars to the Lender of any notice, application or requirement given or made by any public or local body or authority (a Notice) that specifically applies to the Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice
- 12.2 If the Lender so requires, immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, such objections or representations in respect of any such Notice as the Lender may desire

13. PAYMENT OF OUTGOINGS

The Borrower shall pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Property or on its occupier

14. INSPECTION

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

15. VAT OPTION TO TAX

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

15 1 Exercise any VAT option to tax in relation to the Property

15 2 Revoke any VAT option to tax exercised prior to and disclosed to the Lender in writing prior to the date of this mortgage

Schedule 4 Powers of the Lender

1. POWER TO REMEDY

1 1 The Lender shall be entitled (but shall not be obliged) to remedy a breach at any time by the Borrower of any of its obligations contained in this mortgage. Any monies expended by the Lender in remedying a breach by the Borrower of any of its obligations contained in this mortgage shall be reimbursed by the Borrower to the Lender on a full indemnity basis.

1 2 In remedying any breach in accordance with paragraph 1 1 of Schedule 4, the Lender and its agents shall be entitled to enter onto the Property and to take any action as the Lender may reasonably consider necessary or desirable including, without limitation, carrying out any repairs or other works.

2 EXERCISE OF RIGHTS

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

3. LENDER HAS RECEIVER'S POWERS

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

4. CONVERSION OF CURRENCY

4 1 For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this paragraph 4) from their existing currencies of denomination into any other currencies of denomination that the Lender may think fit.

4 2 Any such conversion shall be effected at the Lender's bank's then prevailing spot selling rate of exchange for such other currency against the existing currency.

4 3 Each reference in this paragraph 4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

5. NEW ACCOUNTS

5.1 If the Lender receives, or is deemed to have received, notice of any subsequent Security or other interest, affecting all or part of the Charged Property, the Lender may open a new account for the Borrower in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.

5.2 If the Lender does not open a new account immediately on receipt of the notice, or deemed notice, referred to in paragraph 5.1, then, unless the Lender gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Lender shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Lender.

6. LENDER'S SET-OFF RIGHTS

If the Lender has more than one account for the Borrower in its books, the Lender may at any time after

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

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account that may be in debit. After making any such transfer, the Lender shall notify the Borrower of that transfer.

7. INDULGENCE

The Lender may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any person is jointly liable with the Borrower) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this deed or to the liability of the Borrower for the Secured Liabilities.

Schedule 5 Events of Default

1 NON-PAYMENT

The Borrower fails to pay any sum payable by it under the Agreement or this mortgage when due, unless its failure to pay is caused solely either by

- 1 1 An administrative error or technical problem and payment is made within five Business Days of its due date
- 1 2 An event (not caused by, and outside the control of, either party) that materially disrupts the systems that enable payments to be made or which otherwise prevents either or both parties from complying with their obligations under the Agreement or this mortgage

2. NON-COMPLIANCE

The Borrower fails (other than a failure to pay) to comply with any provision of the Agreement or this mortgage and, if the Lender acting reasonably, considers that the default is capable of remedy, such default is not remedied within 14 Business Days of the earlier of

- 2 1 The Lender notifying the Borrower of the default and the remedy required
- 2 2 The Borrower becoming aware of the default

3 MISREPRESENTATION

Any representation, warranty or statement made by the Borrower in relation to the Agreement or this mortgage is (or proves to have been) incomplete, untrue, incorrect or misleading when made

4 INSOLVENCY

- 4 1 The Borrower stops or suspends payment of any of its debts or is unable to pay any of its debts as they fall due
- 4 2 A petition for a bankruptcy order is presented or a bankruptcy order is made against the Borrower

Schedule 6 Repayment

1. REPAYMENT

The Borrower shall repay the Loan on the date that falls six months from the date of the Agreement, or if the Lender opts in writing to extend the repayment date, on the date that falls nine months from the date of the Agreement or if the Lender opts in writing to further extend the repayment date, on the date that falls 12 months from the date of this Agreement

EXECUTED AS A DEED by)
BENTLEY-LEEK)
PROPERTIES (JV3) LTD
Acting by

L. Gurr

In the presence of

Witness signature

Witness name

Witness address

ANJANA MEHANI
FPG Solicitors
Devonshire House
582 Honeypot Lane
Stanmore
Middlesex, HA7 1JS
DX: 48902 Stanmore

Witness occupation

Solicitor

EXECUTED AS A DEED by.)
BML UTILITY)
CONTRACTORS LTD
Acting by

In the presence of

Witness signature

Witness name

Witness address

Witness occupation

DATED

18th January

2016

LEGAL MORTGAGE OF PROPERTY

between

BML UTILITY CONTRACTORS LTD (Lender)

and

BENTLEY-LEEK PROPERTIES (JV3) LTD (Borrower)

Certified as a true copy of the original.

[Signature] *22/1/2016*
.....
Solicitor



GISBY
HARRISON

.....
Solicitor

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THIS DEED is dated *18th January 2016*

PARTIES

- (1) **BML UTILITY CONTRACTORS LTD** a company registered in England & Wales with company number 06579615 whose registered office address is at Devonshire House, 582 Honeypot Lane, Stanmore, Middlesex HA7 1JS
(**Lender**)
- (2) **BENTLEY-LEEK PROPERTIES (JV3) LTD** a company registered in England & Wales with company number 06132055 whose registered office address is at Devonshire House, 582 Honeypot Lane, Stanmore, Middlesex HA7 1JS
(**Borrower**)

BACKGROUND

- (A) The Lender has agreed under the Agreement to provide the Borrower with the Loan on a secured basis such security being a third legal mortgage ranking behind the Priority Lender's first legal mortgage and the Second Lender's second legal mortgage
- (B) The Borrower is the owner of the Property
- (C) This mortgage provides security which the Borrower has agreed to give the Lender for the Loan
- (D) The Loan will be repaid on the Repayment Date
- (E) The parties wish to take advantage of one of the exceptions set out in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) (RAO)

AGREED TERMS

1. INTERPRETATION

The following definitions and rules of interpretation apply in this mortgage

Definitions.

Agreement: the loan agreement dated *23rd* December 2015 between the Borrower and the Lender for the provision of the Loan secured by this mortgage

Business Day: a day other than a Saturday, Sunday or a public holiday in England when banks in London are open for business

Encumbrance: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect

Event of Default: any event or circumstance listed in *Schedule 5*

Loan: the sum of £800,000 plus interest pursuant to the terms of the Agreement

LPA 1925: the Law of Property Act 1925

Priority Lender: Funding 365 Limited a company registered in England & Wales with number 08488034 whose registered office is at 145-157 St John Street London EC1V 4PW

Property: the freehold property owned by the Borrower described in *Schedule 1*

Repayment Date: each of the dates specified in *Schedule 6* for repaying the Loan

Second Lender: FUNDING 365 CAPITAL LIMITED (Registered Company Number 09442964) whose registered office address is 20-22 Wenlock Road, London N1 7GU

Secured Liabilities: all present and future monies, obligations and liabilities owed by the Borrower to the Lender under or in connection with the Loan, the Agreement and this mortgage

Security Period: the period starting on the date of this mortgage and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding

VAT value added tax chargeable under the Value Added Tax Act 1994

A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time

A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision

A reference to laws in general is a reference to all local, national and directly applicable supra-national laws as amended, extended or re-enacted from time to time and shall include all subordinate laws made from time to time under them and all orders, notices, codes of practice and guidance made under them

Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders

Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular

Unless the context otherwise requires, references to clauses and Schedules are to the clauses and Schedules of this mortgage and references to paragraphs are to paragraphs of the relevant Schedule

A reference to **this mortgage** (or any provision of it) or to any other document referred to in this mortgage is a reference to this legal mortgage, that

provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties

A reference to a **person** includes a natural person, corporate or unincorporated body, or any state or any agency of any person

A reference to an amendment includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly)

Clause, Schedule and paragraph headings shall not affect the interpretation of this mortgage

If there is an inconsistency between a defined term in this mortgage and in the Agreement, the provisions of this mortgage shall prevail

A reference in this mortgage to a charge or mortgage of, or over, the Property includes.

- (a) all buildings and fixtures and fittings which are situated on, or form part of, the Property at any time,
- (b) the proceeds of sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property,
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Property and any monies paid or payable in respect of those covenants, and
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of the Property

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

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

2 LOAN

The Lender provides to the Borrower, the Loan, on the terms and subject to the conditions of this mortgage

3 PURPOSE OF LOAN

The Borrower shall use the Loan to fund the development at the Property as contemplated by the terms of the Agreement

4. COVENANT TO PAY

The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities on the Repayment Date or, if earlier, on an Event of Default

5. GRANT OF SECURITY

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower charges the Property, with full title guarantee, to the Lender by way of a third legal mortgage ranking behind the Priority Lender's first legal mortgage [additional wording for second mortgage]

6. PERFECTION OF SECURITY

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

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated 2016 in favour of BML Utility Contractors Ltd referred to in the charges register "

7. REPRESENTATIONS AND WARRANTIES

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

8. COVENANTS

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

9. POWERS OF THE LENDER

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

10. ENFORCEMENT OF SECURITY

10.1 When security becomes enforceable

The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this mortgage) shall, as between the Lender and a purchaser from the Lender, arise on and be exercisable at any time after the execution of this mortgage, but the Lender shall not exercise such power of sale or other powers until an Event of Default occurs (whether or not such an Event of Default is still continuing) whereupon it shall become immediately exercisable

10.2 When statutory powers arise

Section 103 of the LPA 1925 (restricting the power of sale) does not apply to the security constituted by this mortgage

11 COSTS

The Borrower shall pay to, or reimburse the Lender on demand, on a full indemnity basis, all costs and liabilities incurred by the Lender, in relation to

This mortgage or the Property

Suing for, or recovering, any of the Secured Liabilities

Including, without limitation, the costs of any proceedings in relation to this mortgage or the Secured Liabilities or incurred in or suffered by any default or delay by the Borrower in performing any of its obligations under this mortgage

12 RELEASE

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

13. ASSIGNMENT AND TRANSFER

13 1 Assignment by the Lender

The Lender may assign or transfer the whole or any part of the Lender's rights and/or obligations under this mortgage to any person

13 2 Assignment by the Borrower

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

14 CONTINUING SECURITY

14 1 Continuing security

This mortgage shall remain in full force and effect as a continuing security for the Secured Liabilities unless and until the Lender discharges this mortgage in writing

14 2 Rights cumulative

The rights and remedies of the Lender provided under this mortgage are cumulative, may be exercised as often as the Lender considers appropriate,

and are in addition to, and not exclusive of, any rights and remedies provided by law

14.3 Waivers

Any waiver of any right or remedy by the Lender under this mortgage or by law is only effective if given in writing and signed by the Lender and shall not be deemed a waiver of any other breach or default. It applies only in the circumstances for which it is given, and shall not prevent the Lender from subsequently relying on the relevant provision.

14.4 Further exercise of rights

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

14.5 Delay

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

15. COUNTERPARTS

This mortgage may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one deed.

16. NOTICES

Any notice or other communication given under, or in connection with, this mortgage must be in writing.

Any notice or other communication given or delivered under this mortgage must be

- (a) delivered by hand,
- (b) sent by pre-paid first-class post or other next working day delivery service, or
- (c) sent by fax.

Any notice or other communication to be given or delivered under this mortgage must be sent to the relevant party as follows

- (d) to the Borrower at
Devonshire House, 582 Honeypot Lane, Stanmore, Middlesex HA7 1JS

marked for the attention of Mr L A Gold

(e) to the Lender at

Devonshire House, 582 Honeypot Lane, Stanmore, Middlesex HA7 1JS

marked for the attention of Mr B McNicholas

with a copy to be sent to 1 Warrengate Road, North Mymms, Hatfield, Hertfordshire AL9 7TT marked for the attention of Mr B McNicholas

or as otherwise specified by the relevant party by notice in writing to each other party

Any notice or other communication that the Lender gives to the Borrower under, or in connection with, this mortgage will be deemed to have been received

- (f) if delivered by hand, at the time it is left at the relevant address,
- (g) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting, and
- (h) if sent by fax, when received in legible form

A notice or other communication given as described in clause 16(f) or clause 16(h) on a day which is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day

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

A notice or other communication given under or in connection with this mortgage is not valid if sent by e-mail

This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution

17 GOVERNING LAW

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

18 JURISDICTION

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

19 THIRD PARTY RIGHTS

A person who is not a party to this mortgage shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this mortgage

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

Schedule 1 Property

All the freehold land with title number SGL140252 being at 14 Thackeray Close
Wimbledon London SW19 4JL

Schedule 2 Representations and warranties

1 OWNERSHIP OF PROPERTY

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

2. NO ENCUMBRANCES

The Property is free from any Encumbrances other than the Encumbrance created by this mortgage or the Priority Lender's first legal mortgage or the Second Lender's second legal mortgage

3. ADVERSE CLAIMS

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

4. ADVERSE COVENANTS

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

5. NO BREACH OF LAWS

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

6. NO INTERFERENCE IN ENJOYMENT

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

7. NO OVERRIDING INTERESTS

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

8. AVOIDANCE OF SECURITY

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

9. NO PROHIBITIONS OR BREACHES

There is no prohibition on the Borrower assigning its rights in the Property and the entry into this mortgage by the Borrower does not and will not

constitute a breach of any policy, agreement, document or instrument binding on the Borrower or its assets

Schedule 3 Covenants

Part 1. General covenants

1 NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

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

- (a) create or permit any Encumbrance on, or in relation to, the Property other than any Encumbrance created by this mortgage and or the Priority Lender's first legal mortgage,
- (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner all or any part of, or any interest in, the Property, or
- (c) create or grant any interest in the Property in favour of a third party

2. PRESERVATION OF PROPERTY

The Borrower shall not do, or permit to be done, any act or thing which would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender or materially diminish the value of any of the Property or the effectiveness of the security created by this mortgage.

3 ENFORCEMENT OF RIGHTS

The Borrower shall use its reasonable endeavours to enforce any rights and start, continue or defend any proceedings relating to any of the Property which the Lender may require from time to time

4. COMPLIANCE WITH LAWS

The Borrower shall comply with all laws and regulations for the time being in force relating to or affecting any Property and shall obtain and promptly renew from time to time and comply with the terms of all consents which may be necessary to enable it to preserve, maintain or renew any Property

5 NOTICE OF BREACHES

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

- (a) any representation or warranty set out in *Schedule 2*, and
- (b) any covenant set out in *Schedule 3*

Part 2. Property covenants

1. REPAIR AND MAINTENANCE

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

2 NO ALTERATIONS

2 1 The Borrower shall not, save for the development contemplated at the date of the Agreement, without the prior written consent of the Lender

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

2 2 The Borrower shall promptly give notice to the Lender if the premises or fixtures or fittings forming part of the Property are destroyed or damaged

3. DEVELOPMENT RESTRICTIONS

The Borrower shall not, without the prior written consent of the Lender (save that any prior written consent for planning permission or development consent required for the development contemplated at the date of the Agreement shall not be required)

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

4. INSURANCE

4 1 The Borrower shall insure and keep insured the Property against fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, escape of water or oil, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion, malicious damage, theft or attempted theft, falling trees and branches and aerials, subsidence, heave, landslip, collision, accidental damage to underground services, public liability to anyone else and any other risks which the Landlord reasonably requires to be insured against from time to time

- 4.2 The Borrower shall, if requested by the Lender, produce to the Lender the policy, certificate or cover note relating to any such insurance required by paragraph 4.1 of this Part 2, Schedule 3

5. INSURANCE PREMIUMS

The Borrower

- (a) shall promptly pay all premiums in respect of any insurance policy on the Property and do all other things necessary to keep such policy in full force and effect, and
- (b) shall (if the Lender so requires) produce to the Lender the receipts for all premiums and other payments necessary for effecting and keeping up the insurance policies

6. NO INVALIDATION OF INSURANCE

The Borrower shall not do or omit to do or permit to be done or omitted any thing that may invalidate or otherwise prejudice any insurance policies relating to the Property

7. INSURANCE POLICIES' PROCEEDS

All monies payable under any of the insurance policies relating to the Property at any time (whether or not the security constituted by this mortgage has become enforceable) shall

- (a) immediately be paid to the Lender, or
- (b) if they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower upon trust for the Lender

8. LEASES AND LICENCES AFFECTING THE PROPERTY

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

- (a) grant, or agree to grant, any licence or tenancy affecting the whole or any part of the Property, or exercise the statutory powers of leasing (or agreeing to lease) or of accepting (or agreeing to accept) surrenders under sections 99 or 100 of the LPA 1925, or
- (b) in any other way dispose of (or agree to dispose of), accept the surrender of (or agree to accept the surrender of), surrender (or agree to surrender) or create any legal or equitable estate or interest in the whole or any part of the Property, or
- (c) let any person into occupation of or share occupation of the whole or any part of the Property, or

- (d) grant any consent or licence under any lease or licence affecting the Property

9. NO RESTRICTIVE OBLIGATIONS

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

10. PROPRIETARY RIGHTS

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

11. COMPLIANCE WITH AND ENFORCEMENT OF COVENANTS

The Borrower shall

- (a) observe and perform all covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject and (if the Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed, and
- (b) diligently enforce all covenants, stipulations and conditions benefiting the Property and shall not (and shall not agree to) waive, release or vary any of the same

12. NOTICES OR CLAIMS RELATING TO THE PROPERTY

The Borrower shall

- 12.1 Give full particulars to the Lender of any notice, application or requirement given or made by any public or local body or authority (a **Notice**) that specifically applies to the Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice
- 12.2 If the Lender so requires, immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, such objections or representations in respect of any such Notice as the Lender may desire

13. PAYMENT OF OUTGOINGS

The Borrower shall pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Property or on its occupier

14. INSPECTION

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

15. VAT OPTION TO TAX

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

15 1 Exercise any VAT option to tax in relation to the Property

15 2 Revoke any VAT option to tax exercised prior to and disclosed to the Lender in writing prior to the date of this mortgage

Schedule 4 Powers of the Lender

1. POWER TO REMEDY

1 1 The Lender shall be entitled (but shall not be obliged) to remedy a breach at any time by the Borrower of any of its obligations contained in this mortgage. Any monies expended by the Lender in remedying a breach by the Borrower of any of its obligations contained in this mortgage shall be reimbursed by the Borrower to the Lender on a full indemnity basis.

1 2 In remedying any breach in accordance with paragraph 1 1 of Schedule 4, the Lender and its agents shall be entitled to enter onto the Property and to take any action as the Lender may reasonably consider necessary or desirable including, without limitation, carrying out any repairs or other works.

2 EXERCISE OF RIGHTS

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

3. LENDER HAS RECEIVER'S POWERS

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

4. CONVERSION OF CURRENCY

4 1 For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this paragraph 4) from their existing currencies of denomination into any other currencies of denomination that the Lender may think fit.

4 2 Any such conversion shall be effected at the Lender's bank's then prevailing spot selling rate of exchange for such other currency against the existing currency.

4 3 Each reference in this paragraph 4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

5. NEW ACCOUNTS

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

6. LENDER'S SET-OFF RIGHTS

If the Lender has more than one account for the Borrower in its books, the Lender may at any time after

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

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account that may be in debit. After making any such transfer, the Lender shall notify the Borrower of that transfer.

7. INDULGENCE

The Lender may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any person is jointly liable with the Borrower) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this deed or to the liability of the Borrower for the Secured Liabilities.

Schedule 5 Events of Default

1. NON-PAYMENT

The Borrower fails to pay any sum payable by it under the Agreement or this mortgage when due, unless its failure to pay is caused solely either by

- 1 1 An administrative error or technical problem and payment is made within five Business Days of its due date
- 1 2 An event (not caused by, and outside the control of, either party) that materially disrupts the systems that enable payments to be made or which otherwise prevents either or both parties from complying with their obligations under the Agreement or this mortgage

2. NON-COMPLIANCE

The Borrower fails (other than a failure to pay) to comply with any provision of the Agreement or this mortgage and, if the Lender acting reasonably, considers that the default is capable of remedy, such default is not remedied within 14 Business Days of the earlier of

- 2 1 The Lender notifying the Borrower of the default and the remedy required
- 2 2 The Borrower becoming aware of the default

3. MISREPRESENTATION

Any representation, warranty or statement made by the Borrower in relation to the Agreement or this mortgage is (or proves to have been) incomplete, untrue, incorrect or misleading when made

4. INSOLVENCY

- 4 1 The Borrower stops or suspends payment of any of its debts or is unable to pay any of its debts as they fall due
- 4 2 A petition for a bankruptcy order is presented or a bankruptcy order is made against the Borrower

Schedule 6 Repayment

1 REPAYMENT

The Borrower shall repay the Loan on the date that falls six months from the date of the Agreement, or if the Lender opts in writing to extend the repayment date, on the date that falls nine months from the date of the Agreement or if the Lender opts in writing to further extend the repayment date, on the date that falls 12 months from the date of this Agreement

EXECUTED AS A DEED by)
BENTLEY-LEEK)
PROPERTIES (JV3) LTD

Acting by _____

In the presence of _____

Witness signature _____

Witness name _____

Witness address _____

Witness occupation _____

EXECUTED AS A DEED by)
BML UTILITY)
CONTRACTORS LTD

Acting by _____

B. M. Nicholas

In the presence of _____

Witness signature _____

Witness name _____

Witness address _____

Paula Paul

Paula Paul

Overshire House, 582

Harrop Lane, Stanning

Middlesex HA7 1JS

Witness occupation _____

Finance Solicitor