



Registration of a Charge

Company Name: **COPPERLEAF HOMES LIMITED**

Company Number: **06251551**



Received for filing in Electronic Format on the: **23/01/2023**

XBVTLSYZ

Details of Charge

Date of creation: **18/01/2023**

Charge code: **0625 1551 0001**

Persons entitled: **PMJ CAPITAL LIMITED**

Brief description: **LAND AND BUILDINGS ON THE NORTH EAST SIDE OF OLDHAM STREET
HYDE**

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **CAROLYN POGSON**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6251551

Charge code: 0625 1551 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th January 2023 and created by COPPERLEAF HOMES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd January 2023 .

Given at Companies House, Cardiff on 24th January 2023

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



Companies House



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

PMJ Capital

Straightforward Property Finance

DATED

18th January

2023

- (1) COPPERLEAF HOMES LIMITED
- (2) PMJ CAPITAL LIMITED

LEGAL MORTGAGE
OF
LAND AND BUILDINGS ON THE NORTH
EAST SIDE OF OLDHAM STREET, HYDE

This is a certified copy and true likeness of the
original document and/or applicant
HT Legal Ltd Solicitors, Clarendon Chambers,
5A Market Place, Hyde SK14 2LX

Signed.....
Dated: 23/1/23.....

THIS DEED is made the

18th

day of

January

2023

BETWEEN:

- (1) **COPPERLEAF HOMES LIMITED** (registered in England under company no.: 06251551) whose registered office is at Oakfield House, Springwood Way, Tytherington Business Park, Macclesfield, Cheshire, SK10 2XA ("the Borrower"); and
- (2) **PMJ CAPITAL LIMITED** (registered in England under company no.: 09485153) whose registered office is at Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR ("the Lender")

WHEREAS:-

- (A) The provisions of clause 1 below shall apply to these Recitals.
- (B) The Lender has agreed under the Agreement to provide the Borrower with the Loan on a secured basis.
- (C) The Borrower has contracted to purchase the Property.
- (D) This mortgage provides security which the Borrower has agreed to give the Lender for the Loan.
- (E) The Loan will be repaid on the Repayment Date.
- (F) The parties wish to take advantage of one of the exceptions to the Consumer Credit Act 1974.

NOW IT IS HEREBY AGREED as follows:-

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

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

"the Agreement"	means a loan agreement or facility letter dated on or about the date hereof and made between the Borrower and the Lender for the provision of the Loan secured by this mortgage (either alone or with other security) as amended from time to time.
"Business Day"	means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business in London.
"Encumbrance"	means 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"	means any of those matters listed in Schedule 5 together with any event of default by the Borrower or similar circumstances affecting the Borrower as defined or provided for in the Agreement (irrespective of whether or not it is called an event of default).
"Loan"	means loan to be made pursuant to the Agreement.

"LPA 1925"	means the Law of Property Act 1925.
"Property"	means the freehold or leasehold property (whether registered or unregistered) owned by the Borrower described in Schedule 1.
"Repayment Date"	means the date for repayment of the Loan as specified in the Agreement.
"Secured Liabilities"	means all moneys obligations and liabilities (whether certain or contingent) which are now or may at any time in the future be or become from time to time due owing or incurred to the Lender by the Borrower including (but not limited to) those under or in connection with the Loan, the Agreement or this mortgage and whether alone or jointly with any other person or company and in whatever style name or form and whether as principal or surety whether on any current loan or other account or otherwise in any amount whatsoever and all costs, charges and expenses owed to or properly incurred, directly or indirectly, by or on behalf of the Lender in relation to this or any other security held by or on behalf of the Lender or in relation to the enforcement of any such security.
"Security Period"	means 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"	means value added tax.

1.2 Interpretation

In this legal mortgage:

- 1.2.1 a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment or extension and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts;
- 1.2.2 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular;
- 1.2.4 a reference to a clause or Schedule is to a clause of, or Schedule to, this mortgage and references to paragraphs are to paragraphs of the relevant Schedule, unless the context otherwise requires;
- 1.2.5 a reference to this mortgage (or any provision of it) or any other document shall be construed as a reference to this legal mortgage, that provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties;

- 1.2.6 a reference to a person shall include a reference to an individual, firm, company, partnership, corporation, unincorporated body of persons, or any state or any agency of any person;
- 1.2.7 a reference to an amendment includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly);
- 1.2.8 clause, Schedule and paragraph headings shall not affect the interpretation of this mortgage; and
- 1.2.9 if there is an inconsistency between a defined term in this mortgage and in the Agreement, the provisions of this mortgage shall prevail.

1.3 Clawback

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

1.4 Nature of security over real property

- 1.4.1 A reference in this mortgage to a charge or mortgage of, or over, the Property includes:-
- 1.4.2 all buildings and fixtures and fittings which are situated on, or form part of, the Property at any time;
- 1.4.3 the proceeds of sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;
- 1.4.4 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Property and any monies paid or payable in respect of those covenants; and
- 1.4.5 all rights under any licence, agreement for sale or agreement for lease in respect of the Property.

1.5 Third party rights

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

1.6 Schedules

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 COVENANT TO PAY

- 2.1 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.

3 GRANT OF SECURITY

- 3.1 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 first legal mortgage.

4 PERFECTION OF SECURITY

- 4.1 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 2022 in favour of PMJ CAPITAL LIMITED referred to in the charges register."

5 LIABILITY OF THE BORROWER

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

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

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

6 REPRESENTATIONS AND WARRANTIES

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

7 COVENANTS

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

8 POWERS OF THE LENDER

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

9 ENFORCEMENT OF SECURITY

9.1 When security becomes enforceable

The power of sale and other powers conferred by s.101 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.

9.2 When statutory powers arise

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

9.3 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and/or by any other statute are extended so as to authorise the Lender and any Receiver, at any time after the security constituted by this mortgage has become enforceable, whether in its own name or in that of the Borrower, to:

- 9.3.1 grant any lease or agreement for lease;
- 9.3.2 accept surrenders for leases; or
- 9.3.3 grant any option of the whole or any part of the Property with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Borrower and on such terms and conditions (including payment of money to a lessee or tenant on a surrender) as the Lender or Receiver thinks fit, without the need to comply with any of the restrictions imposed by s.99 and s.100 LPA 1925.

9.4 Prior encumbrances

At any time after the security constituted by this mortgage has become enforceable, or after any powers conferred by any Encumbrance having priority to this mortgage shall have become exercisable, the Lender may:

- 9.4.1 redeem such or any other prior Encumbrance;
- 9.4.2 procure the transfer of that Encumbrance to itself; and/or
- 9.4.3 settle any account of the older of any prior Encumbrance.

The settlement of any such account shall be, in the absence of any manifest error, conclusive and binding on the Borrower. All monies paid by the Lender to an encumbrancer in settlement of such an account shall be, as from its payment by the Lender, due from the Borrower to the Lender on current account and shall bear interest at the default rate of interest specified in the Agreement and be secured as part of the Secured Liabilities.

9.5 Protection of third parties

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

- 9.5.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- 9.5.2 whether any power of the Lender or the Receiver is purporting to exercise, has become exercisable or is properly exercisable; or
- 9.5.3 how any money paid to the Lender or any Receiver is to be applied.

9.6 Privileges

Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

9.7 No liability as mortgagee in possession

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

9.8 Relinquishing possession

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

9.9 Conclusive discharge to purchasers

The receipt of the Lender or any Receiver shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Property or in making any acquisition in the exercise of their respective powers, the Lender and the Receiver may do so for such consideration, in such manner and on such terms as he thinks fit.

10 RECEIVERS

10.1 At any time after the security constituted by this mortgage has become enforceable the Lender may, without further notice, appoint by way of a deed or otherwise in writing, any one or more person or persons to be a receiver or a receiver and manager, of all or any part of the Property.

10.2 The Lender may, without further notice (subject to section 45 of the Insolvency Act 1986), from time to time, by way of a deed or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in place of any Receiver whose appointment may for any reason have terminated.

10.3 The Lender may fix the remuneration of the Receiver without the restrictions contained in section 109 of the LPA 1925 and the remuneration of the Receiver shall be a debt secured by this mortgage, which shall be due and payable immediately on its being paid by the Lender.

10.4 The power to appoint a Receiver conferred by this mortgage shall be in addition to all statutory and others powers of the Lender under the Insolvency Act 1986, the LPA 1925 or otherwise and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

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

10.6 Any Receiver appointed under this mortgage shall be the agent of the Borrower and the Borrower shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of the Receiver shall continue until the Borrower becomes bankrupt.

11 POWERS OF RECEIVER

The Receiver shall have the powers set out in Schedule 6.

12 APPLICATION OF PROCEEDS

12.1 Order of application

All monies received by the Lender or the Receiver under this mortgage after the security constituted by this mortgage has become enforceable (other than any sums received under any insurance policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

12.1.1 in or towards payment of, or provision for, all costs, charges and expenses incurred by or on behalf of the Lender (and any Receiver appointed by it) under or in connection with this mortgage and all remuneration due to any Receiver under or in connection with this mortgage;

12.1.2 in or towards payment of, or provision for, the Secured Liabilities in such order and manner as the Lender determines; and

12.1.3 in payment of the surplus (if any) to the Borrower or other person entitled to it.

12.2 Appropriation

Neither the Lender or the Receiver shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

13 COSTS AND INDEMNITY

13.1 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:-

13.1.1 This mortgage or the Property.

13.1.2 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.

14 FURTHER ASSURANCE

The Borrower shall, at its own expense, take whatever action the Lender or the Receiver may reasonably require in respect of any of the following:

14.1.1 Creating, perfecting or protecting the security intended to be created by this mortgage.

14.1.2 Facilitating the realisation of any of the Property.

14.1.3 Facilitating the exercise of any right, power, authority or discretion exercisable by the Lender or the Receiver in respect of any of the Property,

including, without limitation, if the Lender thinks it expedient, the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of, or intended to form part of, the Property (whether to the Lender or its nominee) and the giving of any notice, order or direction and the making of any registration.

15 RELEASE

15.1 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.

16 ASSIGNMENT AND TRANSFER

16.1 Assignment by the Lender

The Lender may at any time assign or transfer the whole or any part of the Lender's rights and/or obligations under this mortgage to any person by serving written notice of such assignment on the Borrower at any time thereafter.

16.2 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.

17 CONTINUING SECURITY

17.1 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.

17.2 Rights cumulative

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

17.3 Waivers

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

17.4 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.

17.5 Delay

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

17.6 Counterparts

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

18 NOTICES

18.1 Service

Each notice or other communication required to be given under, or in connection with, this mortgage shall be in writing, delivered personally or sent by pre-paid first-class letter or fax and sent to:-

18.1.1 the Borrower at the address shown above for the Borrower; or

18.1.2 to the Lender at its registered office for the time being

or to such other address or fax number as is notified in writing by one party to the other from time to time.

18.2 Receipt by Borrower

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

- 18.2.1 if sent by fax, when received in legible form;
- 18.2.2 if given by hand, at the time of actual delivery; and
- 18.2.3 if posted, on the second Business Day after the day it was sent by pre-paid first-class post.

A notice or other communication given as described in clause 18.1 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.

18.3 Receipt by Lender

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

19 CONSUMER CREDIT ACT

The Borrower hereby confirms that the Loan is wholly or predominantly for the purposes of a business carried on by the Borrower. The Borrower hereby declares to the Lender by executing this Legal Mortgage in the following terms:-

"I am entering this Agreement wholly or predominantly for the purposes of a business carried on by me or intended to be carried by me. I understand that I will not have the benefit of the protection and remedies that would be available to me under the Consumer Credit Act 1974 if this Agreement were a regulated agreement under that Act. I understand that this declaration does not affect the powers of the court to make an order under section 140B of the Consumer Credit Act 1974 in relation to a credit agreement where it determines that the relationship between the creditor and the debtor is unfair to the debtor. I am aware that, if I am in any doubt as to the consequences of the agreement not being regulated by the Consumer Credit Act 1974 I should seek independent legal advice"

20 GOVERNING LAW

- 20.1 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.

IN WITNESS whereof the parties have executed this Mortgage as a Deed the day and year first before written.

SCHEDULE 1

Property

The freehold property brief particulars of which are as follows:-

Country and District or London Borough:-

TAMESIDE METROPOLITAN BOROUGH COUNCIL

Title Number(s):-

GM300635 & GM193

Property:-

LAND AND BUILDINGS ON THE NORTH EAST SIDE OF OLDHAM STREET, HYDE

Details of registered lease (if any):-

NOT APPLICABLE.

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 Encumbrances other than the Encumbrance created by this 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 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:

- 1.1 create or permit any Encumbrance on, or in relation to, the Property other than any Encumbrance created by this mortgage;
- 1.2 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
- 1.3 create or grant any interest in the Property in favour of a third party.

2. PRESERVATION OF PROPERTY

- 2.1 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

- 3.1 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

- 4.1 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:

- 5.1 any representation or warranty set out in Schedule 2; and
- 5.2 any covenant set out in Schedule 3.

Part 2 – Property covenants

1. REPAIR AND MAINTENANCE

- 1.1 The Borrower shall keep all premises, and 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, without the prior written consent of the Lender:
 - 2.1.1 pull down or remove the whole or any part of any building forming part of the Property nor permit the same to occur; or

2.1.2 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).

2.1.3 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:

3.1 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

3.2 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 (or where insurance is the responsibility of the landlord under the terms of the lease, procure that the landlord insures and keeps 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 3, Schedule 3 (or where such insurance is effected by the landlord, such evidence of insurance as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).

5. INSURANCE PREMIUMS

The Borrower:

5.1 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

5.2 shall (if the Lender so requires) produce to the Lender the receipts for all premiums and other payments necessary for effecting and keeping up the insurance policies (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).

6. NO INVALIDATION OF INSURANCE

6.1 The Borrower shall not do or omit to do or permit to be done or omitted anything 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:

- 7.1 immediately be paid to the Lender; or
- 7.2 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 clause 8.4, is not to be unreasonably withheld or delayed in circumstances in which the Borrower may not unreasonably withhold or delay its consent:

- 8.1 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
- 8.2 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
- 8.3 let any person into occupation of or share occupation of the whole or any part of the Property; or
- 8.4 grant any consent or licence under any lease or licence affecting the Property.

9. NO RESTRICTIVE OBLIGATIONS

- 9.1 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

- 10.1 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:

- 11.1 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
- 11.2 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. RENT AND OUTGOINGS

The Borrower shall:

13.1 where the Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time; and

13.2 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. RENT REVIEWS

The Borrower:

14.1 shall, if the Property is subject to occupational leases or licences, implement any upwards rent review provisions and shall not, without the prior written consent of the Lender, agree to any change in rent to less than the open market rental value of the relevant part of the Property; and

14.2 shall not, without the prior written consent of the Lender, if the Property is leasehold, agree to any change in the rent payable under the lease in excess of the open market rental value and shall only agree to any upwards rent review in accordance with the terms of the lease.

15. INSPECTION

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

16. VAT OPTION TO TAX

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

16.1 exercise any VAT option to tax in relation to the Property; or

16.2 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 this 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.

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 10 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

- 3.1 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

Powers of the Receiver

1. ADDITIONAL POWERS

- 1.1 Any Receiver appointed by the Lender under this mortgage shall, in addition to the powers conferred on him by statute, have the powers set out in clause 1.2 to clause 18.3 of this Schedule 6.
- 1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this mortgage individually and to the exclusion of any other Receiver.
- 1.3 Any exercise by a Receiver of any of the powers given by Schedule 6 may be on behalf of the Borrower, the directors of the Borrower himself.

2. REPAIR AND DEVELOP

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

3. GRANT OR ACCEPT SURRENDER OF LEASES

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

4. EMPLOY PERSONNEL AND ADVISERS

The Receiver may provide services and employ, or engage, such managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on such terms and subject to such conditions as he thinks fit. The Receiver may discharge any such person or any such person appointed by the Borrower.

5. OPTION TO TAX

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

6. REMUNERATION

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

7. REALISE THE PROPERTY

The Receiver may collect and get in the Property or any part of it in respect of which he is appointed and make such demands and take such proceedings as may seem expedient for that purpose, and take possession of the Property with like rights.

8. MANAGE OR RECONSTRUCT THE BORROWER'S BUSINESS

The Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Borrower carried out at the Property.

9. DISPOSE OF THE PROPERTY

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

10. SEVER FIXTURES AND FITTINGS

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

11. GIVE VALID RECEIPTS

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

12. MAKE SETTLEMENTS

The Receiver may make any arrangement, settlement or compromise between the Borrower and any other person which he may think expedient.

13. BRING PROCEEDINGS

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

14. INSURE

The Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 13 effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this mortgage.

15. POWERS UNDER THE LPA

The Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925 and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986.

16. REDEEM PRIOR CHARGES

The Receiver may redeem any prior Encumbrance and settle the accounts to which the Encumbrance relates. Any accounts settled in this manner shall be, in the absence of any manifest error, conclusive and binding on the Borrower, and the monies paid shall be deemed to be an expense properly incurred by the Receiver.

17. ABSOLUTE BENEFICIAL OWNER

The Receiver may, in relation to any of the Property, exercise all powers, authorisations and rights he would be capable of exercising, and do all such acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Property or any part of the Property.

18. INCIDENTAL POWERS

The Receiver may do all such other acts and things:

- 18.1 he may consider desirable or necessary for realising any of the Property;
- 18.2 he may consider incidental or conducive to any of the rights or powers conferred on the Receiver under or by virtue of this mortgage or law; or
- 18.3 which he lawfully may or can do as agent for the Borrower.

