



Registration of a Charge

Company name: **SHERLAND PROPERTY OPCO LIMITED**

Company number: **08319067**

Received for Electronic Filing: **12/04/2016**



X54R04GR

Details of Charge

Date of creation: **05/04/2016**

Charge code: **0831 9067 0009**

Persons entitled: **ASHALL PROJECTS LIMITED**

Brief description: **PERMANENT HOUSE, THE CLEVELAND SHOPPING CENTRE, ALBERT ROAD, MIDDLESBROUGH AS MORE PARTICULARLY DESCRIBED IN THE LEASE BETWEEN (1) MIDDLESBROUGH SHOPPING CENTRE LIMITED AND (2) SHERLAND PROPERTY LLP TO BE GRANTED OUT OF THE FREEHOLD PROPERTY REGISTERED AT LAND REGISTRY WITH TITLE NUMBER TES985.**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

**COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION
FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

ALEX MORGAN, DWF LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8319067

Charge code: 0831 9067 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th April 2016 and created by SHERLAND PROPERTY OPCO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th April 2016 .

Given at Companies House, Cardiff on 13th April 2016

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

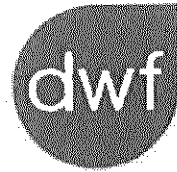


Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Execution Version



5 April 2016

(1) SHERLAND PROPERTY OPCO LIMITED

as the Chargor

and

(2) ASHALL PROJECTS LIMITED

as the Chargee

Legal Mortgage

over Property at

Permanent House, Albert Road, Middlesbrough

THIS DEED IS SUBJECT TO THE TERMS OF THE INTERCREDITOR DEED (DEFINED HEREIN)

DWF Chargor
5 St Paul 's Square
Old Hall Street
Liverpool
L3 9AE

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THIS LEGAL MORTGAGE is made by way of deed dated

5 April 2016

BETWEEN:

- (1) **SHERLAND PROPERTY OPCO LIMITED** a company registered in England and Wales under number 08319067 whose registered office is at 4 , Cavendish Square, London, W1G 0PG (the **Chargor**); and
- (2) **ASHALL PROJECTS LIMITED** (registered number 07865184) whose registered office is at 8 Winmarleigh Street, Warrington, Cheshire, United Kingdom WA1 1JW (the **Chargee**).

NOW THIS DEED WITNESSES as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed, unless the context otherwise requires:

Authorisation means an authorisation, approval, consent, licence, permit, exemption, registration or filing which is necessary or desirable for the ownership, use or enjoyment of the Property or the validity or effectiveness of this Deed;

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

Charged Assets means the Property and the other assets and rights of the Chargor described in Clause 4.1 and Clause 4.2 and shall be interpreted to mean both the whole and any part of such Property, assets and rights and any interest therein;

Council means Middlesbrough Borough Council;

Default Rate means the rate of 2% (two per cent);

Disruption Event has the meaning ascribed in the Facilities Agreement;

Enforcement Event means any of the following events or circumstances:

- (a) the Chargor fails to pay or discharge any of the Secured Liabilities when due for payment or discharge in accordance with the Performance Payment Documents unless (i) its failure is caused by an administrative or technical error or Disruption Event and (ii) payment is made within 2 Business Days of its due date;
- (b) the Chargor does not comply with any term of the provisions of this Deed, save that no Enforcement

Event will occur if the failure to comply is capable of remedy and is remedied within 10 Business Days of the earlier of (i) the Chargee giving notice to the Chargor and (ii) the Chargor becoming aware of the failure to comply;

- (c) the Chargor passes any resolution or takes any corporate action, or a petition is presented or proceedings are commenced, or any step is taken by the Chargor or any other person for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of it or of any or all of its revenues or assets or for the general readjustment or rescheduling of its indebtedness or for any composition with its creditors, save that no Enforcement Event will occur in respect of any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement; or
- (d) an order is made for compulsory acquisition or requisition of the Property where such order has or will have a material adverse effect.

Facilities Agreement	means the development and investment facilities agreement dated 4 April 2014 between the Council as lender, Sherland Property LLP as borrower and the Chargor as guarantor as amended and restated by an amendment and restatement agreement between the same parties dated on or around the date of this Deed;
Harcourt	means Harcourt Capital LLP (company number OC349980);
Lease	means the lease of the Property dated on or around the date of this Deed and made between Sherland Property LLP and the Chargor;
Insurances	means all contracts or policies of insurance required to be effected and maintained by the Chargor under Clause 5.12;
Intercreditor Deed	means the intercreditor deed dated on or about the date hereof and entered into between the Chargor, the Chargee, the Council and Harcourt in relation to the obligations of the Chargor to each of the Chargee, the Council and Harcourt;
Land Registration Acts	means the Land Registration Acts 1925 to 2002;

Party	means a party to this Deed and includes its successors in title, permitted assigns and permitted transferees, whether immediate or derivative;
Performance Payment Documents	has the meaning ascribed in the Facilities Agreement;
Permanent Headlease	the lease dated on or around the date hereof and made between Middlesbrough Shopping Centre Limited (registered in Guernsey with number 53746) and Sherland Property LLP (such lease to be granted out of the freehold property registered at the Land Registry with title number TES985 and for which the Land Registry will allocate a new leasehold title number on first registration);
Property	Permanent House, The Cleveland Shopping Centre, Albert Road, Middlesbrough as more particularly described in the Permanent Headlease and, where the context so requires, includes the buildings on that property;
Receiver	means any one or more receivers and/or managers appointed by the Chargee pursuant to this Deed in respect of the Chargor or over all or any of the Charged Assets;
Relevant Legislation	means all laws, directions, regulations, codes of practice, guidance notes, circulars and the like concerning the protection of the environment, human health or working conditions at the Property, or the actual or proposed use or development of the Property;
Secured Liabilities	means all monies, obligations and liabilities whatsoever whether for principal, interest or otherwise and in whatever currency which may now or at any time in the future due, owing or incurred from or by the Chargor to the Chargee under the Performance Payment Documents;
Security Interest	means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect; and
Security Period	means the period from the date of this Deed until the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

1.2 Construction

In this Deed, unless the context otherwise requires:

- (a) each reference to this Deed or any other agreement or instrument is a reference to this Deed or such other agreement or instrument as amended, novated, replaced, restated, supplemented or varied from time to time;
- (b) each reference to a provision of law is a reference to that provision as amended, replaced or re-enacted from time to time;
- (c) any grant of rights for full title guarantee shall be deemed to contain all of the covenants and warranties implied in respect of any conveyance with full title guarantee pursuant to section 1(2) of the Law of Property (Miscellaneous Provisions) Act 1994;
- (d) Clause and Schedule headings are for ease of reference only;
- (e) each reference to a Clause or Schedule is a reference to a Clause or Schedule of this Deed;
- (f) words importing the singular shall include the plural and vice versa;
- (g) words importing one gender will be treated as importing any gender;
- (h) a reference to any person includes that person's successors and (in the case of the Chargee only) its permitted assignees and transferees;
- (i) a reference to any person is to be construed to include references to a corporation, firm, company, partnership, joint venture, unincorporated body of persons, individual or any agency of a state, whether or not a separate legal entity;
- (j) the words "include", "including", "in particular" and any similar expression shall not be construed as implying any limitation, and general words introduced by "other", "otherwise" or any similar expression will not be given a restrictive meaning by reason of the fact that they are preceded or followed by words indicating a particular class, of acts, matters or things.

1.3 Effect of this Deed

This Deed is intended to take effect as a deed notwithstanding that a Party may have executed it under hand only.

2. COVENANT TO PAY

2.1 Covenant

The Chargor covenants that it will pay to the Chargee or discharge all Secured Liabilities on the due date or dates for payment or discharge or, if earlier, immediately, following the expiry of any applicable grace period, upon demand by the Chargee following the occurrence of an Enforcement Event.

2.2 Interest

The Chargor shall pay to the Chargee interest on the Secured Liabilities to the date of actual payment or discharge (notwithstanding any demand or judgement or the liquidation or

administration of the Chargor or any arrangement or composition with creditors by the Chargor) at the Default Rate.

3. INTERCREDITOR DEED

- 3.1 This Deed is subject to the terms of the Intercreditor Deed and should a conflict arise between the terms of this Deed and the Intercreditor Deed the terms of the Intercreditor Deed shall prevail.

4. CHARGES

4.1 Fixed charge

The Chargor charges to the Chargee as a continuing security for the payment and discharge of the Secured Liabilities the following assets, both present and future:

- (a) by way of legal mortgage, the Property; and
- (b) by way of fixed charge, the full benefit of all agreements, contracts, guarantees, indemnities, warranties and other documents and arrangements relating to the Property to which the Chargor is or may become a party or is or becomes otherwise entitled in respect of the Property, and all rights and claims thereunder;
- (c) if and in so far as any assignment in Clause 4.2 shall for any reason be ineffective as an assignment, by way of fixed charge the assets referred to in that Clause.

4.2 Assignment

- (a) The Chargor assigns and agrees to assign absolutely to the Chargee by way of security the following assets, both present and future:
 - (i) all its rights, title and interest in and to all payments made under the Insurances;
 - (ii) all its rights, title and interest in and to all Authorisations;
 - (iii) all its rights, title and interest in and to any rental and other income in respect of the Property;
 - (iv) all the goodwill of the business carried on by the Chargor at the Property and the benefit of all contracts and claims in respect of that business; and
 - (v) all rights and claims to which the Chargor is entitled in relation to the Charged Assets.
- (b) Notwithstanding the assignment in Clause 4.2(a) the Chargor will remain liable to perform all the obligations to be performed on the part of the Chargor in respect of the assets assigned and the Chargee shall have no obligation of any kind in respect of those assets nor any liability to perform the Chargor's obligations thereunder, unless the Chargee expressly agrees otherwise in writing. The Chargor will indemnify the Chargee in respect of all liabilities which the Chargee may incur in respect of the assets assigned under Clause 4.2(a).

- (c) At the end of the Security Period, the Chargee will, at the request and cost of the Chargor, reassign the assets referred to in Clause 4.2(a) to the Chargor or as it may direct.

4.3 Priority

The charges and assignments created by this Deed are:

- (a) subject to the Intercreditor Deed; and
- (b) given with full title guarantee.

5. UNDERTAKINGS

5.1 Duration

The undertakings in this Clause 5 remain in force during the Security Period.

5.2 Negative Pledge

The Chargor will not create or agree to create or permit to subsist any Security Interest over the Property, other than:

- (a) any Security Interests created by this Deed;
- (b) any Security Interest created pursuant to the Finance Documents (as defined in the Facilities Agreement) or the Performance Payment Documents; and
- (c) any other Security Interest to which the Chargee has given its prior written consent and for the avoidance of doubt, the Chargee consents to any Security Interest granted by the Chargor on or about the date hereof in favour of the Council and/or Harcourt, the priority of which is governed by the Intercreditor Deed.

5.3 Deposit of Deeds

Subject to the terms of the Intercreditor Deed, the Chargor will deposit with the Chargee (to be held at the risk of the Chargor) all deeds and documents of title relating to the Property and such other Charged Assets as the Chargee may require (or otherwise procure that any such deeds and documents are held to the order of the Chargee on terms acceptable to the Chargee).

5.4 Compliance with Obligations

The Chargor will:

- (a) observe and perform all covenants, burdens, stipulations, requirements and obligations from time to time affecting the Charged Assets or the use, ownership, occupation, possession or other enjoyment of the Charged Assets whether imposed by statute, contract, lease or otherwise;
- (b) punctually pay, or cause to be paid, and indemnify the Chargee and any Receiver against, all present and future rent, rates, taxes, duties, charges, assessments,

impositions and outgoings now or at any time payable in respect of the Property or any part;

- (c) use all reasonable endeavours to procure the observance and performance by the other parties to any Insurances, Authorisations, agreements and other obligations affecting the Charged Assets or their ownership or use;
- (d) do all acts necessary or desirable to preserve its rights, title and interest in and to the Charged Assets; and
- (e) not, without the written prior consent of the Chargee, enter into any onerous or restrictive obligations in respect of any of the Charged Assets.

5.5 Repair

The Chargor will keep the Property and all buildings thereon in good repair and condition and all fixtures, plant, machinery and equipment on the Property in good working order and condition (fair wear and tear excepted in the case of fixtures, plant, machinery and equipment).

5.6 Access

The Chargor will permit any person appointed by the Chargee, without the Chargee becoming liable to account as mortgagee in possession, (at reasonable times and upon reasonable notice and subject to the terms of any Lease Document and/or the Hotel Management Agreement (as such terms are defined in the Facilities Agreement) to enter upon the Property and inspect the state of the Charged Assets.

5.7 Information and Notices

- (a) The Chargor will produce to the Chargee such documents or information relating to the Charged Assets as the Chargee may from time to time reasonably request and promptly deliver to the Chargee a copy of any notice, order or proceedings served by any person on the Chargor concerning any Charged Assets, or alleging any breach by the Chargor of its obligations relating to the Charged Assets.
- (b) The Chargor will, if requested by the Chargee, without delay and at its own cost take all reasonable or necessary steps to comply with any notice, order or proceedings referred to in Clause 5.7(a).
- (c) The Chargor will, at the request of the Chargee, without delay and at its own cost give notice to such persons specified by the Chargee of the security created by this Deed.

5.8 Relevant Legislation

The Chargor will:

- (a) not do or knowingly omit or knowingly suffer to be done or omitted any act, matter or thing in, on or in respect of the Property required to be done or omitted by any Relevant Legislation or which shall contravene the provisions of any Relevant Legislation; and

- (b) indemnify and keep indemnified the Chargee against all actions, proceedings, costs, expenses, claims and demands whatsoever in respect of any such act, matter or thing referred to in Clause 5.8(a).

5.9 Authorisations

The Chargor will at all times acquire and maintain all Authorisations and will comply with all terms and conditions relating to all Authorisations and will not do or permit any act or omission whereby any Authorisation would be liable to be varied or revoked.

5.10 Value

The Chargor will not do, or cause or permit to be done, anything which may depreciate, jeopardise or otherwise prejudice the value to the Chargee of the Property nor incur any expenditure or liability of an exceptional or unusual nature in respect of the Property without the prior written consent of the Chargee.

5.11 Land Registration Acts

- (a) The Chargor will not, without the prior written consent of the Chargee:
 - (i) permit any person to be registered as proprietor of the Property under the Land Registration Acts;
 - (ii) create or knowingly permit to arise or subsist any overriding interest affecting the Property within the definition in the Land Registration Acts; or
 - (iii) permit any person to become entitled to any proprietary right or interest which might reasonably be expected to affect the value of the Property or any other Charged Asset thereon.
- (b) The costs incurred by the Chargee in lodging from time to time a caution against registration of the Property shall be deemed to be costs properly incurred by it under this Deed.

5.12 Insurances

- (a) The Chargor will effect and maintain, to the extent required and subject to the terms of the Lease, the Permanent Headlease and Permanent Building Contract (the latter as defined in the Facilities Agreement):
 - (i) insurance of the Property and the buildings, fixtures, plant, machinery and equipment on the Property on a full reinstatement basis, including, without limitation, site clearance costs, professional fees, VAT and subsidence;
 - (ii) third party liability insurances in respect of the Property;
 - (iii) insurance against acts of terrorism in respect the Property; and
 - (iv) such insurances in relation to its business or assets which would be effected by a prudent company in the same business.

all such insurances to be in amount and in form and with an insurance company or underwriters acceptable to the Chargee (acting reasonably) and with the interest of the Chargee noted thereon.

- (b) The Chargor will supply to the Chargee such information in connection with the Insurances and copies of the policies as the Chargee may reasonably require and will notify the Chargee of renewals made and material variations or cancellations of policies made or, to the knowledge of the Chargor, threatened or pending.
- (c) The Chargor will promptly pay all premiums and do all other things necessary to keep all of the Insurances in full force and effect and will not do or permit to be done anything which may make any of the Insurances void or voidable.
- (d) If the Chargor fails to comply with any of the provisions of this Clause 5.12, the Chargee may (acting reasonably) effect the Insurances concerned at the expense of the Chargor.
- (e) The Chargor will apply all monies received or receivable under any insurance in respect of the Property towards replacing, restoring or reinstating such Property, or if permitted, in accordance with the terms of the Facilities Agreement.

5.13 Restrictions on dealing with the Charged Assets

- (a) The Chargor will not without the prior written consent of the Chargee (whether by a single transaction or a series of related or unrelated transactions and whether at the same time or over a period of time):
 - (i) sell, transfer, lease, declare any trust in respect of or otherwise dispose of any of the Charged Assets or any interest therein; or
 - (ii) grant any lease, licence or tenancy or otherwise part with or share possession or occupation of the Property; or
 - (iii) agree to do any of those things,in circumstances where the arrangement or transaction is entered into primarily as a method of raising financial indebtedness or of financing the acquisition of an asset.
- (b) The Chargor will not exercise any of the powers of leasing or of accepting surrenders of leases conferred by sections 99 and 100 of the Law of Property Act 1925 or by common law or vary any lease or tenancy agreement or reduce any sum payable under the same.
- (c) The Chargor will not without the prior written consent of the Chargee, make, nor revoke any existing, election in respect of value added tax in relation to any part of the Charged Assets.
- (d) Clauses 5.13(a) to (c) inclusive do not apply to:
 - (i) the Transaction Security;

- (ii) the Junior Security Documents;
 - (iii) any lien arising by operation of law and in the ordinary course of trading;
 - (iv) any Security Interest that is released prior to the second Utilisation Date; or
 - (v) any transaction or disposal permitted under the Facilities Agreement,
- (as each such term is defined in the Facilities Agreement).

5.14 Power to remedy

- (a) If the Chargor at any time defaults in complying with any of its obligations contained in this Deed, the Chargee shall, without prejudice to any other rights arising as a consequence of such default, be entitled to make good such default and the Chargor irrevocably authorises the Chargee and its employees and agents by way of security to do all such things necessary or desirable in connection with the same.
- (b) Any moneys so expended by the Chargee shall be repayable by the Chargor to the Chargee on demand together with interest at the Default Rate from the date of payment by the Chargee until such repayment, both before and after judgment.

6. FURTHER ASSURANCE

6.1 Further Assurance

The Chargor will, if and when required by the Chargee:

- (a) do all such acts and things as the Chargee shall from time to time require to perfect or protect the security created or intended to be created by this Deed over the Charged Assets or any part thereof or to facilitate the realisation of the same; and
- (b) affix to such items of the Charged Assets or endorse or cause to be endorsed thereon as the Chargee shall stipulate such signs, labels, memoranda or other recognisable identification markings as the Chargee shall require referring or drawing attention to the security constituted by or pursuant to this Deed.

6.2 Certain Documentary Requirements

Such further Security Interests and assurances shall be prepared by or on behalf of the Chargee, at the expense of the Chargor, and shall contain an immediate power of sale without notice, a clause excluding section 93 of the Law of Property Act 1925, a clause excluding the restrictions contained in section 103 of the Law of Property Act 1925 and such other clauses for the benefit of the Chargee as it may reasonably require.

7. CERTAIN POWERS OF THE CHARGE

7.1 Powers on Enforcement

At any time on or after the occurrence of an Enforcement Event (taking into account the expiry of any applicable grace period), or if requested by the Chargor, the Chargee may, without further notice and whether or not a Receiver shall have been appointed, exercise all

the powers conferred upon mortgagees by the Law of Property Act 1925, as varied or extended by this Deed, and all the powers and discretions conferred by this Deed on a Receiver either expressly or by reference.

7.2 Statutory Power of Leasing

The Chargee shall have the power to lease and make agreements for leases at a premium or otherwise, to accept surrenders of leases and to grant options on such terms as the Chargee shall consider expedient and without the need to observe any of the provisions of sections 99 and 100 of the Law of Property Act 1925.

7.3 Contingencies

- (a) If the Chargee enforces the security constituted by this Deed at a time when no amount in respect of the Secured Liabilities is due and payable, the Chargee (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account.
- (b) The Chargee may (subject to the payment of any claims having priority to this security and the terms of the Intercreditor Deed) withdraw amounts standing to the credit of such account for application as follows:
 - (i) paying all costs, charges and expenses incurred and payments made by the Chargee (or the Receiver) in the course of such enforcement;
 - (ii) paying remuneration to the Receiver as and when the same becomes due and payable; and
 - (iii) paying amounts due and payable in respect of the Secured Liabilities as and when the same become due and payable.

7.4 Redemption of Prior Security

- (a) At any time on or after the occurrence of an Enforcement Event (taking into account the expiry of any applicable grace period), or if requested by the Chargor, the Chargee may:
 - (i) redeem any prior Security Interest against any of the Charged Assets; and/or
 - (ii) procure the transfer of that Security Interest to itself; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer and any accounts settled and passed will be conclusive and binding on the Chargor.
- (b) The Chargor will pay on demand all principal moneys, interest, costs, charges and expenses in connection with any such redemption and/or transfer.

7.5 Power of Sale and Right of Consolidation

Sections 93 and 103 of the Law of Property Act 1925 do not apply to the security constituted by this Deed.

8. APPOINTMENT AND POWERS OF RECEIVER

8.1 Appointment

- (a) At any time on or after the occurrence of an Enforcement Event (taking into account the expiry of any applicable grace period), or if requested by the Chargor, the Chargee may by instrument in writing executed as a deed or under the hand of any duly authorised officer appoint a Receiver of the Charged Assets or any part thereof.
- (b) Where more than one Receiver is appointed, each joint Receiver shall have power to act severally, independently of any other joint Receivers, except to the extent that the Chargee may specify to the contrary in the appointment.
- (c) The Chargee may (subject to section 45 of the Insolvency Act 1986) remove any Receiver so appointed and appoint another in his place.

8.2 Receiver as Agent

A Receiver shall be the agent of the Chargor and the Chargor will be solely responsible for his acts or defaults and for his remuneration.

8.3 Powers of Receiver

A Receiver shall have all the powers conferred from time to time on receivers and administrative receivers (whether or not the Receiver is an administrative receiver) by statute and power on behalf and at the expense of the Chargor to do, or omit to do, anything which the Chargor could do, or omit to do, in relation to the Charged Assets or any part thereof including (without limitation) power to:

- (a) take possession of, collect and get in, and give a good discharge for, all or any of the Charged Assets; and/or
- (b) exercise in respect of the Charged Assets all powers or rights available to a registered or other holder in such manner as he may think fit; and/or
- (c) carry on, manage, develop, reconstruct, amalgamate or diversify the whole or any part of the business carried on by the Chargor on the Property; and/or
- (d) lease or otherwise acquire and develop or improve properties or other assets without being responsible for loss or damage; and/or
- (e) raise or borrow any money from or incur any other liability to the Chargee or others on such terms, with or without security, as he may think fit and so that any such security may be or include a charge on the whole or any part of the Charged Assets ranking in priority to this security or otherwise; and/or
- (f) sell, let, surrender or accept surrenders, grant licences or otherwise dispose of or deal with all or any of the Charged Assets for such consideration and generally on such terms and conditions as he may think fit; and the consideration for such sale, lease or disposition may be for cash, debentures or other obligations, shares, stock, securities or other valuable consideration and be payable immediately or by

instalments spread over such period as he shall think fit and so that any consideration received or receivable shall immediately be and become charged with the payment of all the Secured Liabilities; and/or

- (g) promote the formation of companies with a view to the same becoming a subsidiary of the Chargor and purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Charged Assets or otherwise, arrange for such companies to trade or cease to trade and to purchase, lease, license or otherwise acquire all or any of the Charged Assets on such terms and conditions as he may think fit; and/or
- (h) make any arrangement or compromise or enter into, or cancel, any contracts which he shall think expedient; and/or
- (i) make and effect such repairs, renewals and improvements to the Charged Assets or any part thereof as he may think fit and maintain, renew, take out or increase insurances; and/or
- (j) appoint managers, agents, officers and employees for any of the purposes referred to in this Clause 8.3; and/or
- (k) institute, continue, enforce, defend, settle or discontinue any actions, suits or proceedings in relation to the Charged Assets or any part thereof or submit to arbitration as he may think fit; and/or
- (l) delegate his powers in accordance with Clause 11; and/or
- (m) sign any document, execute any deed and do all such other acts and things as may be considered by him to be incidental or conducive to any of the matters or powers referred to in this Clause 8.3 or to the realisation of the security created by or pursuant to this Deed and to use the name of the Chargor for all the purposes referred to in this Clause 8.3.

8.4 Remuneration

The Chargee may from time to time determine the remuneration of any Receiver and section 109(6) of the Law of Property Act 1925 shall be varied accordingly.

9. APPLICATION OF PROCEEDS

All moneys received by the Chargee or by any Receiver shall be applied, after the discharge of the remuneration and expenses of the Receiver and all liabilities having priority to the Secured Liabilities, in or towards satisfaction of such of the Secured Liabilities and in such order as the Chargee in its absolute discretion may from time to time conclusively determine, except that the Chargee may procure the payment of the same to the credit of a suspense account in the name of the Chargee for so long and in such manner as the Chargee may from time to time determine and the Receiver may retain the same for such period as he and the Chargee consider expedient.

10. PROTECTION OF THIRD PARTIES

10.1 Deemed Right to Enforce

In favour of any purchaser (as defined in section 205 of the Law of Property Act 1925) or person dealing in good faith, the Secured Liabilities shall be deemed to become due, and all rights of enforcement conferred upon the Chargee by the Law of Property Act 1925, as varied and extended by this Deed, shall be deemed to arise, immediately after the execution of this Deed.

10.2 No Enquiry Required

No purchaser or other person dealing with the Chargee or a Receiver shall be bound or concerned to enquire whether any power exercised or purported to be exercised under this Deed has become exercisable or whether any money is due on the security of this Deed or as to the propriety or regularity of any sale by, or other dealing with, the Chargee or such Receiver or be concerned with notice to the contrary. Any such sale or dealing shall be deemed to be within the powers conferred by this Deed and to be valid and effectual accordingly.

11. DELEGATION

The Chargee and any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed. Any such delegation may be made upon the terms (including power to sub-delegate) and subject to any regulations which the Chargee or such Receiver (as the case may be) may think fit. Neither the Chargee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

12. INDEMNITIES

12.1 Enforcement Costs

The Chargor shall, within 3 Business Days of demand, indemnify the Chargee against any cost, loss or liability incurred by the Chargee or by any Receiver as a result of the occurrence of an Enforcement Event (taking into account the expiry of any applicable grace period) together with interest at the Default Rate from the date on which such cost, loss or liability was so incurred until the date of payment by the Chargor, both before and after judgment.

12.2 Indemnity from Charged Assets

The Chargee and any Receiver, attorney, agent or other person appointed by the Chargee under this Deed and the officers and employees of the Chargee and any such Receiver, attorney, agent or other person shall be entitled to be indemnified out of the Charged Assets in respect of all costs and losses which may be incurred by, or made against, any of them (or by or against any manager, agent, officer or employee for whose liability, act or omission any of them may be answerable) at any time relating to or arising out of or as a consequence of the occurrence of an Enforcement Event (taking into account the expiry of any applicable grace period).

13. **POWER OF ATTORNEY**

13.1 Power of Attorney

The Chargor, by way of security (and to secure proprietary interests of any delegates), irrevocably appoints each of the Chargee and any Receiver and their respective delegates severally to be its attorney in its name and on its behalf:

- (a) to execute and complete any documents or instruments which the Chargee or such Receiver may require for perfecting the title of the Chargee to the Charged Assets or for vesting the same in the Chargee, its nominee or any purchaser;
- (b) to sign, execute, seal and deliver, and otherwise perfect, any further Security Interests or other documents referred to in Clause 6; and
- (c) otherwise generally to sign, seal, execute and deliver all deeds, agreements and other documents and to do all acts and things which may be required for the full exercise of all or any of the powers conferred on the Chargee or a Receiver under this Deed or which may be deemed expedient by the Chargee or a Receiver in connection with any disposition, realisation or getting in of the Charged Assets or any part thereof or in connection with any other exercise of any power under this Deed.

13.2 Prior to the occurrence of an Enforcement Event (taking into account the expiry of any applicable grace period), the Chargee shall not take any action under clause 13.1 unless it has first given notice of the proposed action to the Chargor and the Chargor has failed to remedy (where in the opinion of the Chargee, it is capable of remedy) the relevant matter (to the satisfaction of the Chargee) within 5 Business Days of receipt of that notice, provided that at all times, where the consequences of any such grace period would result in any detrimental or adverse consequence for the Chargee, such 5 Business Day grace period shall not apply.

13.3 Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm all acts and things which any attorney pursuant to Clause 13.1 shall do, or purport to do, in the exercise of his powers under Clause 13.1.

14. **MISCELLANEOUS**

14.1 Continuing Security

This Deed and the obligations of the Chargor under this Deed shall:

- (a) secure the ultimate balance of the Secured Liabilities and shall be a continuing security notwithstanding any settlement of account or other matter whatsoever;
- (b) be in addition to, and not prejudice or affect, any present or future Security Interest, or any other right or remedy held by or available to the Chargee; and
- (c) not merge with, or be in any way prejudiced or affected by the existence of, any such Security Interest, right or remedy.

14.2 Exercise of Rights

The rights of the Chargee under this Deed may be exercised as often as necessary, and no waiver thereof shall be effective unless it is made by the Chargee in writing and with specific reference to the right concerned. Any delay in the exercise or non-exercise of any right of the Chargee under this Deed is not a waiver of that right.

14.3 Land Registry

(a) In respect of the Property charged by this Deed, the title to which is or is to be registered at the Land Registry, the Chargor:

(i) certifies that the security created by this Deed does not contravene any of the provisions of the constitutional or other governing documents of the Chargor; and

(ii) hereby consents to the lodgement at the Land Registry of an application by or on behalf of the Chargee for the entry of the following restriction in the Proprietorship Register of any relevant 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 [the date of this Deed] in favour of [] referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its [secretary or conveyancer]".]

14.4 No Responsibility for Loss

Neither the Chargee nor any Receiver shall be responsible for any loss occasioned by the timing of the exercise of its powers under this Deed.

14.5 No Liability as Mortgagee in Possession

Neither the Chargee nor any Receiver shall be liable to account as mortgagee or heritable creditor in possession in respect of all or any of the Charged Assets or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever for which a mortgagee or heritable creditor in possession may be liable as such.

14.6 Perpetuity Period

The perpetuity period applicable to any trusts created by or arising under this Deed is 125 years.

15. PARTIAL INVALIDITY

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provisions under the law of any other jurisdiction will in any way be affected or impaired.

16. **TRANSFERS**

16.1 Transfer by the Chargee

The Chargee may following the occurrence of an Enforcement Event (taking into account the expiry of any applicable grace period) or as otherwise agreed with the Chargor, assign, transfer or declare a trust in respect of the whole or any part of its rights and obligations under or in respect of this Deed.

16.2 Transfer by the Chargor

The Chargor may not assign or transfer any of its rights and obligations under or in respect of this Deed or enter into any transaction which would result in any of those rights and obligations passing to another person.

17. **NOTICES**

17.1 Communications in Writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter. Any such communication by the Chargee may be signed by an officer, employee or agent of the Chargee.

17.2 Communications by the Chargee

Without prejudice to any other effective means of service, any communication by the Chargee may be served on the Chargor personally at, or by fax or by post to, the registered office or any place of business or last known address of the Chargor. Any such communication so served shall be deemed to have been received by the Chargor and to be effective:

- (a) if delivered personally, immediately upon delivery;
- (b) if by way of fax, when the Chargee has received a sent facsimile transmission report; and
- (c) if sent by post, on the second Business Day following the day on which it was deposited in the post postage prepaid, even if returned undelivered.

17.3 Communications by the Chargor

Any communication or document to be made or delivered to the Chargee will be treated as delivered for the purposes of this Deed only when actually received by the Chargee.

18. **ACCOUNTING**

18.1 Accounting Records

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Chargee are prima facie evidence of the matters to which they relate.

18.2 No set-off by the Chargor

All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

19. **LAW OF PROPERTY (MISCELLANEOUS PROVISIONS) ACT 1989**

For the purposes of the Law of Property (Miscellaneous Provisions) Act 1989, any provisions of each document governing the terms of the Secured Liabilities and relating to any disposition of property shall be deemed to be incorporated in this Deed.

20. **COUNTERPARTS**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

21. **THIRD PARTY RIGHTS**

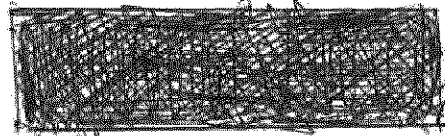
Save as permitted in this Deed, a person who is not a Party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed. This Clause 21 does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

22. **GOVERNING LAW AND JURISDICTION**

This Deed, and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with English law and the Chargor irrevocably submits to the non-exclusive jurisdiction of the English courts.

IN WITNESS of which this Deed has been entered into and has been caused to be delivered on the date first stated.

EXECUTED (but not delivered until)
the date hereof) and delivered as a)
DEED by SHERLAND PROPERTY)
OPCO LIMITED acting by two)
directors/ a director in the presence of:



Director (Signature)



Name (in block capitals)



Director/ Witness (Signature)



Name (in block capitals)

.....

.....

Witness Address

EXECUTED (but not delivered until)
the date hereof) and delivered as a)
DEED by ASHALL PROJECTS)
LIMITED acting by two directors/ a)
director in the presence of:

.....

Director (Signature)

.....

Name (in block capitals)

.....

Director/ Witness (Signature)

.....

Name (in block capitals)

.....

.....

Witness Address

1. The first part of the paper discusses the importance of the study of the history of the world, and the role of the world in the development of the human race. It is a study of the world, and the world is a study of the world.

2. The second part of the paper discusses the importance of the study of the history of the world, and the role of the world in the development of the human race. It is a study of the world, and the world is a study of the world.