

MR01

Particulars of a charge

705065/13

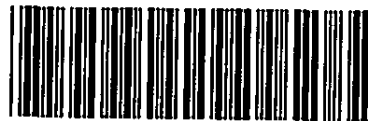


Companies House

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

You can use the Web  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

FRIDAY



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A37 22/11/2013 #17

COMPANIES HOUSE

\*A2L7TKAI\*

A35 15/11/2013 #16

COMPANIES HOUSE

☒ 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  
instrument Use form MR02

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

**1** Company details

Company number 0 8 5 7 1 7 6 5

Company name in full McGray Property Services Ltd

For official use

→ Filing 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 d 0 1 m 1 1 y 2 0 1 3

**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 Rowanmoor Trustees Limited

Name Nicholas Laycock

Name Ian McGray

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

**Description**

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

**Continuation page**

Please use a continuation page if you need to enter more details

Description

Legal Charge over 20 Richmond Avenue, Swalwell, Newcastle upon Tyne, NE16 3HA

5

**Fixed charge or fixed security**

Does the instrument include a fixed 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 chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ **Yes**

☐ **No**

# MR01

## Particulars of a charge

8

### Trustee statement <sup>①</sup>

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

☐

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

9

### Signature

Please sign the form here

Signature

Signature

X 

X

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

# MR01

## Particulars of a charge



### Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name	PAUL CRAWLEY
Company name	BUTTERWORTHS SOLUTIONS
Address	THE AXIS BUILDING MAINGATE, TEAM VALLEY
Post town	GATESHEAD
County/Region	Tyne & Wear
Postcode	NE11 0NQ
Country	
DX	
Telephone	0191 4821152



### 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](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.companieshouse.gov.uk)



**FILE COPY**

## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number. 8571765

Charge code: 0857 1765 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st November 2013 and created by MCGRAY PROPERTY SERVICES LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd November 2013

P

Given at Companies House, Cardiff on 28th November 2013



**Companies House**



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

**LOAN AGREEMENT**

**1. ROWANMOOR TRUSTEES LIMITED, NICHOLAS LAYCOCK  
AND IAN MCGRAY**

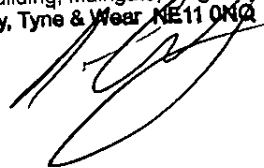
**AND**

**2. MCGRAY PROPERTY SERVICES LIMITED**

**In relation to**

**20 RICHMOND AVENUE, SWALWELL, NEWCASTLE UPON TYNE, NE16 3HA**

Certified to be a true copy and likeness of the original  
Butterworths Solicitors  
The Axis Building, Maingate, Kingsway North  
Team Valley, Tyne & Wear NE11 0NQ

A handwritten signature in black ink, appearing to be 'J. Gray', is written over the printed text of the solicitor's address.

LAND REGISTRY  
LAND REGISTRATION ACT 2002

Administrative area Tyne and Wear Gateshead

Title number(s) TY23238

Property 20 Richmond Avenue, Swalwell, Newcastle upon Tyne, NE16 3HA

THIS LEGAL CHARGE is made on

1 NOVEMBER 2013

PARTIES

- (1) **ROWANMOOR TRUSTEES LIMITED** (Company No 1846413) whose registered office is at Rowanmoor House, 46-50 Castle Street, Salisbury, SP1 3TS, **NICHOLAS LAYCOCK** of 8 Springsyde Close, Whickham, Newcastle upon Tyne, NE16 5UP and **IAN MCGRAY** of 6 shibdon Way, Blaydon, NE21 5NX (**the Trustees**) and
- (2) **MCGRAY PROPERTY SERVICES LIMITED** (Company No 08571765) whose registered office is at 8 Springsyde Close, Whickham, Newcastle upon Tyne, NE16 5UP (**the Borrower**)

THIS DEED WITNESSES

**1 DEFINITIONS AND INTERPRETATION**

For all purposes of this legal charge the terms defined in this clause 1 have the meanings specified

**1.1 Gender, personality and number**

Unless the context otherwise requires

1.1.1 the singular includes the plural and vice versa,

1.1.2 references to persons includes references to firms, companies, corporations or limited liability partnerships and vice versa, and

1.1.3 references in the masculine gender include references in the feminine or neuter genders and vice versa

**1.2 Headings**

The clause and schedule headings do not form part of this document and are not to be taken into account in its construction or interpretation

**1.3 'The Interest Period'**

'The Interest Period' means the period ending annually on <sup>1st November</sup> ~~October~~ of each year

**1.4 'The Interest Rate'**

'The Interest Rate' means 1 % above the average base lending rate of six High Street banks, rounded up to the nearest multiple of ¼%, calculated in accordance with The Pension Schemes (Prescribed Interest Rates for Authorised Employer Loans) Regulations, by equivalent legislation or as otherwise described by HMRC in their guidance, or such other interest rate as the Trustees determine from time to time, being not less than the minimum rate the Trustees are from time to time required to charge in order to constitute a "commercial rate of interest" in order that the loan is permitted by law and/or does not attract an unauthorised payments charge from HMRC

Interest rates are calculated using the interest rate prevailing at the Reference Date and fixed for the term of the Loan. Interest shall accrue and be paid before as well as after any judgment. Interest will be determined on a compound basis.

**1.5 Interpretation of 'the Borrower' and 'the Trustees'**

Unless the context otherwise requires the expressions 'the Borrower' and 'the Trustees' include their respective successors and assigns whether immediate or derivative and where appropriate the survivors or survivor of them and where either party comprises two or more persons include any one or more of those persons

**1.6 Joint and several liability**

Where any party to this deed for the time being comprises two or more persons, obligations expressed or implied to be made by or with that party are deemed to be made by or with the persons comprising that party jointly and severally



**1.7 Obligation not to permit or suffer**

Any covenant by the Borrower not to do anything includes an obligation to use reasonable endeavours not to permit or suffer that thing to be done by another person where the Borrower is aware that the thing is being done

**1.8 'The Planning Acts'**

'The Planning Acts' means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004, the Planning Act 2008, the Localism Act 2011 and all statutes, regulations and orders included by virtue of clause 1.13.3

**1.9 'The Principal'**

'The Principal' means the sum of £66,400.00 (Sixty Six Thousand Four Hundred) Pounds

**1.10 'The Property'**

'The Property' means the property specified in the First Schedule and all buildings, erections, structures, fixtures, fittings and appurtenances on the Property from time to time

**1.11 'The Redemption Date'**

'The Redemption Date' means 21st October 2018

**1.12 References to clauses**

Any reference in this document to a clause without further designation is to be construed as a reference to the clause of this document so numbered.

**1.13 References to statutes**

Unless expressly stated to the contrary, any reference to a specific statute includes any statutory extension or modification, amendment or re-enactment of that statute and any regulations or orders made under it, and any general reference to a statute includes any regulations or orders made under that statute

**1.14 'VAT'**

'VAT' means value added tax or any other tax of a similar nature and unless otherwise expressly stated all references to sums payable by the Borrower are exclusive of VAT

**1.15 'Scheme'**

McGray Property Services Limited SSAS (of which the Trustees are the trustees)

**1.16 'HMRC'**

HM Revenue and Customs

**1.17 'Capital Repayment'**

means a payment of the The Principal due annually in arrears with effect from the Effective Date in line with the Interest Period. The amount paid each year will ensure full repayment of the loan by the end of the term 22 October 2018.

**1.18 "Effective Date"** means the 22 October 2018, being the date monies provided under the Loan are first drawn down by the Borrower

**1.19 'Loan Purpose'** means business development

1 20 **'Operative Date'** means the sixth Business Day of the month in which the Effective Date falls (or such other date as is from time to time defined as such by HMRC in connection with the calculation of Interest)

1 21 **'Reference Date'** means the date which is twelve Business Days before the Operative Date (or such other date as is from time to time defined as such by HMRC in connection with the calculation of Interest)

## **2 BACKGROUND**

2 1 The Scheme (acting by the Trustees) has at the request of the Borrower agreed to make the Loan to the Borrower for the Term

2.2 The Borrower has agreed to accept the Loan, to provide security as a first charge to the value of the Loan including Interest, to repay the Capital of the Loan and pay the Interest in accordance with the provisions of this Agreement

### **2.3 Title**

The Borrower is the estate owner absolute in possession in respect of the fee simple free from incumbrances

### **2.4 Agreement to lend**

The Trustees have agreed to lend to the Borrower The Principal on condition that its repayment together with interest is secured in the manner set out in this document

## **3.1 PAYMENT OF PRINCIPAL, INTEREST AND COSTS**

In consideration of the Scheme agreeing to make this loan to the Borrower, the Borrower agrees that the Loan will at all times be used for the Loan Purpose and consistently with the purpose or purposes permitted by the Memorandum and Articles of Association of the Borrower

## **3.2 Borrowers Covenants**

### **Payment of Principal**

The Borrower covenants with the Trustees to pay the Principal to the Trustees free from any legal or equitable right of set-off on the Redemption Date if:

- 3 2 1 any interest or other sum payable under this security is not paid within 28 days of becoming due, or
- 3 2 2 the Borrower or any surety fails to comply with any term, condition, covenant or provision of or to perform any of his obligations or liabilities under this or any associated or collateral security, or
- 3 2 3 any representation or warranty given by the Borrower or any surety to the Trustees is or becomes incorrect, or
- 3 2 4 any judgment or order made against the Borrower or any surety by any court is not complied with within 28 days, or
- 3 2 5 the property of the Borrower or any surety becomes subject to any forfeiture or execution, distress, sequestration or other form of process, or
- 3 2 6 a mortgagee takes possession of or exercises or seeks to exercise any power of sale or of an appointment of a receiver in relation to the property charged by this deed or any other property of the Borrower or of any surety, or

3 2 7 in the case of an individual.

- (a) the Borrower or any surety becomes subject to an interim order or makes a proposal for a voluntary arrangement under the Insolvency Act 1986 Part VIII or enters, or seeks to enter, into any other form of composition or arrangement with his creditors whether in whole or in part; or
- (b) a petition is presented for the bankruptcy of the Borrower or any surety, or
- (c) the Borrower or any surety dies or becomes mentally incapable, or

3 2 8 in the case of a company or limited liability partnership

- (a) the Borrower or any surety ceases or threatens to cease to carry on, or disposes or threatens to dispose of, its business or a material part of its business, or
- (b) the Borrower or any surety makes a proposal for a voluntary arrangement under the Insolvency Act 1986 Part I or enters, or seeks to enter, into any other form of composition or arrangement with its creditors whether in whole or in part, or
- (c) the Borrower or any surety becomes subject to a notice of an intended appointment of an administrator or an application is made to any court or any meeting of directors or members is called with a view to the Borrower or any surety entering into administration; or
- (d) an administrative receiver is appointed in respect of the whole or any part of the undertaking of the Borrower or any surety; or
- (e) a petition is presented in any court or a meeting is convened for the purpose of considering a resolution for the winding up of the Borrower or any surety (except in the case of a reconstruction or amalgamation that has the previous approval in writing of the Trustees)

### **3.3 Interest**

To pay interest to the Scheme on the last day of each Interest Period in respect of such amounts as shall have been outstanding from time to time throughout that Interest Period Costs, charges, expenses and other liabilities

### **3.4 Payment of costs, charges, expenses and other liabilities**

The Borrower covenants with the Trustees to pay to the Trustees on demand, and on a full and unlimited indemnity basis, all costs, charges, expenses and liabilities paid and incurred by the Trustees (whether directly or indirectly) in relation to the security constituted by and the obligations owed under and associated with this deed (including all commission, legal and other professional costs and fees and disbursements and VAT on them) together with interest from the date when the Trustees becomes liable for them until payment by the Borrower at the Interest Rate, such interest to be payable in the same manner as interest on the Principal

### **3.5 Costs included**

Without prejudice to the generality of the provisions of that clause, the Borrower's liability under clause 3 4 will include not only those costs, charges, expenses and liabilities that would otherwise be allowable on the taking of an account between a mortgagor and mortgagee but also (and in so far as they are not so allowable) those incurred in relation to or arising out of

- (a) the contemplation and institution of all proceedings and other action in connection with the enforcement, preservation and protection of the security constituted by this deed,

- (b) the contemplation and institution of all proceedings and other action (whether against the Borrower or otherwise) for the payment or discharge of the money and liabilities secured by or associated with this deed;
- (c) the exercise or contemplated exercise of any power, right or discretion conferred by this deed or by law on the Trustees;
- (d) any default by the Borrower or any surety in compliance with the obligations imposed by the terms of this security or associated with it,
- (e) any impeachment or attempted impeachment of the title of the Trustees (whether by the Borrower or by a third party) or of the title of the Borrower; and
- (f) the contemplation or doing of any other matter or thing which the Trustees considers to be for the benefit or improvement of the security

**3.6** To pay the Capital Repayments to the Scheme in accordance with paragraph 1 17 above

**3.7** As a condition precedent to drawdown of any monies under the Loan, to provide the Scheme with a first fixed charge over the assets of the Borrower in such form as the Trustees may stipulate

**3.8** Notwithstanding the other provisions hereof and in any event to repay the Loan and any accrued Interest by not later than the last day of the Term provided that notwithstanding the foregoing the Trustees shall always have the right to demand repayment in full by the Borrower of the balance of the Loan for the time being and any accrued Interest upon the Trustees giving the Borrower seven days' notice in writing of such demand

**3.9** That so long as the Loan (or any part thereof) or any Interest remains outstanding, the Borrower will not, without the prior written consent of the Trustees and upon fully satisfying the Trustees as to the precise nature of the transaction and supplying copies of the documentation in connection with the transaction whether in draft or not, other than in the normal course of the Borrower's business (i) acquire, whether by purchase, subscription or otherwise or (ii) sell, transfer, lease, exchange or otherwise dispose of or (iii) mortgage, charge or pledge, any property or assets, whether real or personal (including cash), or (iv) enter into any hire purchase or leasing agreement, and the Borrower agrees that if any such transaction is entered into in the ordinary course that it will supply details and copies of all documentation relating to the transaction within seven days of the Borrower concluding the same

#### **4 LEGAL CHARGE**

The Borrower, with full title guarantee, charges the Property to the Trustees by way of first legal mortgage with payment or discharge of all money and other obligations and liabilities in this deed covenanted to be paid or discharged by the Borrower or otherwise secured by this deed

#### **5 BORROWER'S REPRESENTATIONS AND WARRANTIES**

The Borrower represents and warrants to the Trustees as set out in this clause 5

##### **5.1 Permitted use**

The present use of the Property is a permitted use within the provisions of the Planning Acts

##### **5.2 Development**

The Borrower has not before the execution of this deed carried out any operation upon the Property or put the Property to any use which is a development within the provisions of the Planning Acts and in respect of which any requisite permission has not been obtained or any valid enforcement order may be made

### **5.3 Environmental matters**

The Borrower has complied with environmental law and, in particular (but without prejudice to the generality of that representation and warranty) that no hazardous or toxic materials, substances, pollutants, contaminants or wastes have at any time before the execution of this deed been released into the environment or deposited, discharged, displaced or disposed of at or near the Property

### **5.4 No charge over Property**

There exists no charge, mortgage, encumbrance or other security interest over the Property.

### **5.5 Contravention of other liabilities**

The execution of and the observance and performance of the Borrower's obligations under this mortgage does not and will not contravene any other charge, mortgage, lease, loan facility or other agreement

### **5.6 Solvency**

At the time of entering into this deed the Borrower is not insolvent and knows of no circumstances in the case of a company or limited liability partnership that would entitle any creditor to appoint a receiver or administrator or to petition for winding up or in the case of an individual to petition for bankruptcy and in either case that would entitle a creditor to exercise any rights over or against the assets of the Borrower

### **5.7 Litigation etc**

No litigation or administrative or arbitration proceeding before or of any court, governmental authority, other tribunal or arbitrator or other third party is presently taking place, pending or, to the best of the knowledge, information and belief of the Borrower, threatened against the Borrower or the Property

### **5.8 Capacity**

The execution of and the observance of the Borrower's obligations under this mortgage does not and will not contravene any of the provisions of its constitution.

## **6 BORROWER'S COVENANTS AS TO THE PROPERTY**

The Borrower covenants with the Trustees as set out in this clause 6

### **6.1 Repair**

#### **6.1.1 Repairing obligation**

The Borrower will keep all buildings, fixtures and fittings, services and service media in, on or associated with the Property in good and substantial repair and good working order and condition

#### **6.1.2 Inspection**

The Borrower will permit the Trustees and his representatives at all reasonable times and upon reasonable notice to enter upon the Property or any part of it to inspect the state and condition of the buildings, fixtures and fittings, services and service media in, on or associated with the Property without the Trustees becoming liable as mortgagee in possession

#### **6.1.3 Entry and repair**

If the Borrower fails to maintain the buildings, fixtures and fittings, services and service media in, on or associated with the Property in the requisite state of repair and condition the Trustees and his representatives may (but without being bound to

do so) at any time thereafter enter upon the Property or any part of it and execute all remedial works that the Trustees considers to be necessary and proper without the Trustees thereby becoming liable as mortgagee in possession

#### **6.1.4 Repayment of expenses**

The Borrower will on demand repay to the Trustees all expenses incurred by the Trustees in carrying out inspections and works permitted by clause 6.1.2 and clause 6.1.3 together with interest from the date when the Trustees becomes liable for the same until repayment by the Borrower at the Interest Rate (such interest to be payable in the same manner as interest on the Principal) all of which money and interest shall be charged on the Property

### **6.2 Alterations**

The Borrower will not without the previous written consent of the Trustees (and then only to the extent permitted by and in accordance with any conditions attached to the consent) make any structural or material alteration to, or pull down or remove any or any part of, any buildings, fixtures and fittings, services and service media in, on or associated with the Property

### **6.3 Insurance**

#### **6.3.1 Duty to insure**

The Borrower will.

- (a) ensure the Property is kept insured for such amount or amounts (including sums in respect of any loss of rent and any professional fees which may be incurred in or about repair, rebuilding or reinstatement), in such name or names, and against loss or damage due to such risks and with such underwriters as the Trustees may in each case and from time to time approve in writing; and
- (b) make all payments required for this purpose as and they become due and will when required by the Trustees deliver to the Trustees the policy of insurance and the receipt for each payment

#### **6.3.2 Indemnity for payments by the Trustees**

If the Borrower fails to perform any of his obligations under this clause 6.3 and if the Trustees takes out any insurance on the Property or any part of it, the Borrower will on demand repay to the Trustees all payments made by him for that purpose and will pay interest at the Interest Rate from the date of payment until repayment on any money not repaid on demand (such interest to be payable in the same manner as interest on the Principal) and all such money and interest shall be charged on the Property

#### **6.3.3 Application of insurance money**

Any money received under any policy of insurance effected or maintained by the Borrower in respect of the Property (whether or not pursuant to his obligations under this clause 6.3) shall, at the option and absolute discretion of the Trustees, be applied either in making good the loss or damage in respect of which it was received or in or towards discharge of the money due under this security, and if received by the Borrower will be held on trust for the Trustees for this purpose

#### **6.4 Outgoings**

The Borrower will punctually pay and indemnify the Trustees against all rents, rates, taxes, levies, assessments, impositions and outgoings whatsoever (whether governmental, municipal, contractual or otherwise) which may be or may become imposed upon or payable in respect of the Property or any part of it

#### **6.5 General covenant to comply with statutes etc**

The Borrower will ensure that any legislation, regulations or bye-laws for the time being in force applicable to the Property are complied with in all respects

#### **6.6 General covenant to produce notices etc**

##### **6.6.1 Production**

The Borrower will immediately produce to the Trustees any order, direction, permission, notice, claim or other matter whatever affecting or likely to affect the Property and served upon the Borrower by any third party, and will allow the Trustees to make a copy of it

##### **6.6.2 Compliance**

The Borrower will comply with any order, direction, permission, notice, claim or other matter referred to in clause 6.6.1 without delay or, if the Trustees so requires, will make or join with the Trustees in making such objections or representations against or in respect of the same as the Trustees may request or approve in writing

#### **6.7 Specific covenants relating to planning and environmental matters**

##### **6.7.1 Alteration of present use of the Property**

The Borrower will not use the Property for any purpose other than the present permitted use within the provisions of the Planning Acts except with the previous written consent of the Trustees and the relevant planning authority and then only to the extent permitted by and in accordance with any conditions attached to those consents. The Borrower will deliver any such consent of the relevant planning authority to the Trustees but shall be entitled to a copy of it

##### **6.7.2 No development without the Trustees's consent**

The Borrower will not without the previous written consent of the Trustees (and then only to the extent permitted by and in accordance with any conditions attached to that consent) carry out any operation or use the Property for any use which is a development within the provisions of the Planning Acts

##### **6.7.3 Compliance with conditions of permission for development**

If the Borrower at any time obtains permission for any development of the Property within the provisions of the Planning Acts he will comply with all conditions subject to which the permission is granted

##### **6.7.4 Compliance with environmental matters**

The Borrower will observe and perform all environmental laws, regulations, directives and codes of practice affecting the Property

##### **6.7.5 Compliance with notices etc**

###### **(a) Production**

If any valid enforcement or other notice, claim, order or proposal is made or served by the relevant authority under or by virtue of the Planning Acts or

the Environmental Protection Act 1990 in relation to the Property the Borrower will immediately produce the same to the Trustees and allow the Trustees to take a copy of it

**(b) Compliance**

The Borrower will at his own expense in all respects comply with the requirements of any notice, claim, order or proposal referred to in clause 6 7 5(a) without delay and in any event within any time which may be specified for compliance. Alternatively, if the Trustees so requires, the Borrower will make or join with the Trustees in making such objections or representations as the Trustees may request or approve against or in respect of any such notice, claim, order or proposal

**(c) Failure to comply**

If the Borrower fails to take immediate steps to commence compliance or fails within the relevant time limit to conclude compliance with the requirements of any notice, claim, order or proposal referred to in clause 6 7 5(a), the Trustees may (but shall not be obliged to) at any time thereafter enter on the Property and execute any works and do anything on the Property necessary to ensure such compliance without the Trustees thereby becoming liable as mortgagee in possession. All costs and expenses so incurred by the Trustees will be repaid by the Borrower to the Trustees on demand together with interest from the date when the Trustees becomes liable for the same until repayment by the Borrower at the Interest Rate (such interest to be payable in the same manner as interest on the Principal) all of which money and interest shall be charged on the Property

**(d) Appointment of Trustees as attorney**

The Borrower irrevocably appoints the Trustees and his substitutes for the time being to be the Borrower's attorney to apply for and procure on the Borrower's behalf any licences, permissions or other things from any competent authority necessary for the execution of the works authorised by this clause 6 7 5 to be executed by the Trustees on the default of the Borrower

**(e) Costs of licences**

All expenses incurred by the Trustees in securing the licences, permissions and other things referred to in clause 6 7 5(d) shall be treated as part of the cost of the works and such expenses and interest on them shall be charged upon the Property as provided by clause 6 7 5(c)

**6.8 Specific covenant in relation to compulsory purchase**

**6.8.1 Entry into negotiations**

The Borrower will not without the previous consent in writing of the Trustees (and then only to the extent permitted by and in accordance with any conditions attached to that consent) enter into any negotiations with any local or other authority for or consent to the compulsory acquisition of the Property either in whole or in part.

**6.8.2 Conduct of negotiations**

If the Trustees so requires, the Borrower will permit the Trustees to conduct the negotiations and grant the consent referred to in clause 6 8 1 on the Borrower's behalf



### **6.8.3 Application of compensation**

Any compensation payable to or received by the Borrower in respect of the compulsory acquisition of the Property or any part of it will, if so and to the extent required by the Trustees, be applied in or towards the discharge of the money due under this security

## **6.9 Leasing and disposal**

The Borrower must not without the previous consent in writing of the Trustees (and then only to the extent permitted by and in accordance with any conditions attached to such consent)

6 9 1 exercise or agree to exercise any power of leasing or of accepting surrenders of leases (whether conferred by statute or otherwise) or vary or agree to vary any lease or tenancy agreement or the amounts payable thereunder, or

6 9 2 otherwise part with or share possession or occupation of or dispose of or deal with the Property or any part of it or any interest in it

## **6.10 Compliance with terms of conveyances etc**

### **6.10.1 Observance**

The Borrower will observe and perform the terms of all conveyances, grants, assignments, transfers, contracts and other deeds and documents from time to time affecting the Property and binding on the Borrower

### **6.10.2 Indemnity**

The Borrower will keep the Trustees indemnified against all proceedings and claims on account of any breach of the terms of the documents referred to in clause 6 10 1

### **6.10.3 Charging provision**

All expenses, damages and costs incurred by the Trustees in relation to any breach referred to in clause 6 10 2 will be repaid by the Borrower to the Trustees on demand together with interest from the date when the Trustees becomes liable for the same until repayment by the Borrower at the Interest Rate (such interest to be payable in the same manner as interest on the Principal) all of which money and interest shall be charged on the Property

## **6.11 Not to register**

The Borrower must not without the previous consent in writing of the Trustees cause or allow any person to be registered under the Land Registration Act 2002 as proprietor of the Property or any part of it

## **6.12 Other charges**

The Borrower shall not without the previous consent in writing of the Trustees (and then only to the extent permitted by and in accordance with any conditions attached to such consent) create or permit to subsist any mortgage, pledge, charge, incumbrance, lien or other security interest in the Property other than this security

## **7 BORROWER'S FURTHER COVENANTS**

The Borrower covenants with the Trustees as set out in this clause 7

## **7.1 Notification of events of default**

Upon becoming aware of the occurrence of any of the matters referred to in clauses 3–3 9 and clause 6 the Borrower will immediately give the Trustees notice in writing of that occurrence

## **8 TRUSTEES'S POWERS AND RIGHTS**

### **8.1 Exercise of statutory powers**

#### **8.1.1 Exclusion of Section 103**

The Law of Property Act 1925 Section 103 shall not apply to this security

#### **8.1.2 Enforcement of security and exercise of power of sale**

At any time after the money secured by this deed has become due and payable the security shall be immediately enforceable and the Trustees's power of sale as amended or varied by this deed shall be immediately exercisable in respect of the whole or any part of the Property without the restrictions contained in the Law of Property Act 1925 as to the giving of notice or otherwise

### **8.2 Extension of statutory powers**

#### **8.2.1 Power of sale**

The power of sale conferred upon mortgagees by the Law of Property Act 1925 shall be extended so as to authorise any person exercising it to do so by selling the Property or any part of it in such manner and on such conditions as to payment of the purchase price and otherwise as the Trustees may think fit

#### **8.2.2 Powers of leasing and accepting surrenders**

By way of extension of the powers contained in the Law of Property Act 1925 Sections 99 and 100 the Trustees shall at any time or times hereafter (and whether or not he has entered into or is in possession of the Property or has appointed a receiver who is still acting) be entitled to grant or vary or reduce any sum payable under, or accept surrenders of, leases of the Property or any part or parts of it or agree to do so without restriction in such manner and on such terms and conditions as the Trustees shall think fit. For the purposes of the exercise of these powers the provisions of the Law of Property Act 1925 Section 99 shall be deemed to have been enacted with the omission of the Law of Property Act 1925 Section 99(18)

#### **8.2.3 General**

At any time after this security has become enforceable and notwithstanding the appointment of any receiver the Trustees may at his absolute discretion exercise any power which a receiver appointed by him could exercise and for these purposes the Borrower authorises the Trustees to exercise the option to tax under the Value Added Tax Act 1994 Schedule 10 Paragraph 2(1) on behalf of the Borrower in respect of the Property

#### **8.2.4 Exclusion of liability**

The powers referred to in or granted or varied or extended by this clause 8 2 shall be exercisable free from any liability on the part of the Trustees or the person exercising them to the Borrower or any other interested person, whether in contract, tort or otherwise

### **8.3 Powers in respect of furniture and effects**

#### **8.3.1 Power to remove and dispose**

At any time after this security has become enforceable the Trustees may, as agent for and on behalf of the Borrower and at the expense of the Borrower, remove, store, preserve, sell or otherwise dispose of any livestock or any furniture, effects, chattels or other items situate at or in the Property which are not charged by this mortgage

#### **8.3.2 Exclusion of liability**

The Trustees will have no liability to the Borrower for any loss incurred in connection with any removal, storage, preservation, sale or disposal referred to in clause 8.3.1

#### **8.3.3 Proceeds of sale**

To the extent the Borrower does not comprise an individual or individuals, the Trustees will have the right to set off any proceeds of sale against the sums due under this security. To the extent the Borrower comprises an individual or individuals, the Trustees will pay any net proceeds of any sale (after payment of removal, storage and preservation costs and the costs of the sale) to the Borrower on demand

#### **8.3.4 Nature of security**

To the extent the Borrower comprises an individual or individuals, the provisions of this clause 8.3 are not intended to grant to the Trustees any rights in, or any charge or security over, any livestock, furniture, effects, chattels or other items or the proceeds of any sale of them so as to constitute this security a bill of sale

### **8.4 Power to appoint a receiver**

#### **8.4.1 Appointment**

At any time after this security becomes enforceable, or at the request of the Borrower, the Trustees may by writing under hand appoint any person or persons to be a receiver of all or any part of the Property

#### **8.4.2 Removal**

The Trustees may at any time and from time to time by writing under hand remove any receiver so appointed and appoint another in his place or appoint an additional person as receiver

#### **8.4.3 Remuneration**

The Trustees may, either at the time of appointment or at any time subsequently and from time to time, fix the remuneration of any receiver so appointed

#### **8.4.4 Restrictions**

None of the restrictions imposed by the Law of Property Act 1925 in relation to the appointment of receivers or as to the giving of notice or otherwise shall apply

#### **8.4.5 Power to act severally**

Where more than one receiver is appointed they shall have the power to act severally

#### **8.4.6 Agency**

Any receiver appointed under this clause shall be the agent of the Borrower for all purposes and the Borrower shall be solely responsible for his acts or defaults and for his remuneration.

#### **8.4.7 General powers**

Any receiver appointed under this clause shall have all the powers conferred on mortgagees or receivers by the Law of Property Act 1925 (but without the restrictions contained in the Law of Property Act 1925 Section 103) and on administrative receivers by the Insolvency Act 1986 Schedule 1 except to the extent to which those powers are expressly or impliedly excluded by the terms of this deed. In the event of ambiguity or conflict the terms of this deed will prevail.

#### **8.4.8 Specific powers**

In addition to the powers referred to in clause 8.4.7 any receiver appointed under this clause shall have power at his discretion, to such extent and upon such terms as he may in his absolute discretion think fit, and notwithstanding the administration or liquidation or, as appropriate, bankruptcy, death or mental incapacity of the Borrower, to do or omit to do anything which the Borrower could do or omit to do in relation to all or any part of the Property. In particular (but without limitation) any such receiver shall have the power

- (a) to take possession of, collect and get in all or any part of the Property and for that purpose bring any proceedings in the name of the Borrower or otherwise,
- (b) to manage or carry on or concur in carrying on any business of the Borrower,
- (c) to raise or borrow money (whether from the Trustees or otherwise) to rank for payment in priority to this security and with or without a charge on all or any part of the Property,
- (d) to sell (whether by public auction or private contract or otherwise), lease, vary, renew or surrender leases or accept surrenders of leases (without needing to observe the provisions of the Law of Property Act 1925 Sections 99 and 100) of, or otherwise dispose of or deal with all or any part of, the Property or of rights associated with all or any part of the Property or to concur in so doing whether in the name or on behalf of the Borrower or otherwise,
- (e) to seize and sever all or any fixtures at or in the Property other than, to the extent the Borrower comprises an individual or individuals, trade machinery as defined by the Bills of Sale Act 1878 and sell the same separately from the Property or its site,
- (f) to settle, arrange, compromise or submit to arbitration any accounts, claims, questions or disputes whatsoever which may arise in connection with any business of the Borrower or the Property or in any way relating to this security,
- (g) to bring, take, defend, compromise, submit to arbitration or discontinue any actions, suits or proceedings whatsoever whether civil or criminal which may arise in connection with any business of the Borrower or the Property or in any way relating to this security,

- (h) to disclaim, abandon or disregard all or any outstanding contracts of the Borrower and to allow time for payment of any debts either with or without security,
- (i) to repair, insure, manage, protect, improve, enlarge, develop, build, complete or reconstruct or replace all or any part of the Property and to apply for and obtain any appropriate permissions, approvals, consents or licences;
- (j) to acquire by purchase, lease or otherwise any further property, assets or rights,
- (k) to appoint, employ and dismiss managers, officers, contractors and agents, and
- (l) to do (whether in the name of the Borrower or otherwise) all such other acts and things as he may consider necessary or desirable for the preservation, management, improvement or realisation of the Property or as he may consider incidental or conducive to any of the above matters or to the exercise of any of the above powers and for these purposes the Borrower authorises the receiver to option to tax under the Value Added Tax Act 1994 Schedule 10 Paragraph 2(1) on behalf of the Borrower in respect of the Property

#### **8.4.9 Application of money**

All money received by any receiver shall be applied by him in the following order

- (a) in payment of the costs, charges and expenses of and incidental to the appointment of the receiver and the exercise of all or any of his powers and of all outgoings paid by him (including preferential debts),
- (b) in payment to the receiver of such remuneration as may be agreed between him and the Trustees at, or at any time and from time to time after, his appointment,
- (c) in or towards satisfaction of the amount owing on this security,

with the surplus (if any) being paid to the Borrower or other persons entitled to it

#### **8.5 Right to consolidate**

The Law of Property Act 1925 Section 93 (restricting the Trustees's right of consolidation) shall not apply to this security

### **9 PROTECTION OF THOSE DEALING WITH TRUSTEES OR RECEIVER**

No person dealing with the Trustees or any receiver appointed by him shall be concerned, bound or entitled to inquire or be affected by notice as to any of the following matters

- 9 1 whether this security has become enforceable,
- 9 2 whether any power exercised or purported to be exercised under this mortgage has arisen or become exercisable,
- 9 3 the propriety, regularity or purpose of the exercise or purported exercise of any such power,
- 9 4 whether any money remains due under the security, or
- 9 5 the necessity or expediency of the stipulations and conditions subject to which any disposition shall be made,

and the receipt of the Trustees or any receiver for any money shall effectually discharge the person paying from those matters and from being concerned to see to the application or being answerable for the loss or misapplication of that money

## **10 INDULGENCE AND WAIVER**

The Trustees may at any time or times without discharging or diminishing or in any way prejudicing or affecting this security or any right or remedy of the Trustees under this mortgage grant to the Borrower, or to any other person, time or indulgence, further credit, loans or advances or enter into any arrangement or variation of rights or, either in whole or in part, release, abstain from perfecting or enforcing or neglect or fail to perfect or enforce any remedies, securities, guarantees or rights which he may now or subsequently have from or against the Borrower or any other person

## **11 DEMANDS AND NOTICES**

### **11.1 Form and mode of deemed service**

A demand or notice by the Trustees under this mortgage must be in writing and shall be deemed to have been properly served on the Borrower if served personally on

11 1 1 the Borrower if an individual, or

11 1 2 any one of the directors or the secretary of the Borrower if a limited company, or

11 1 3 any member of the Borrower if a limited liability partnership,

or by first class letter post or fax addressed to the Borrower at or by delivery to his usual or last known place of abode or business or as appropriate its registered office or at any of its principal places of business

### **11.2 Time of service**

Service shall be deemed to be effected notwithstanding the death or, as appropriate, dissolution of the Borrower:

11 2 1 at 1000 hours on the second business day (being a day when the United Kingdom clearing banks are open for business in the City Of London) immediately following the day of posting if given by first class letter post irrespective of the time or date of actual delivery or of lack of delivery,

11 2 2 when dispatched if given by fax, and

11 2 3 when left at the property concerned if delivered.

### **11.3 Other methods of service**

The methods of service described in clause 11 1 are in addition, and without prejudice, to any other method of service prescribed or permitted by law and in particular to the provisions of the Law of Property Act 1925 Section 196

### **11.4 Multiple borrowers**

If the expression 'the Borrower' includes more than one person, service on any one person shall be deemed to constitute service upon all those persons

## **12 VALIDITY AND SEVERABILITY**

### **12.1 Enforceability**

Each of the provisions of this mortgage is severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable the

validity, legality and enforceability of the remaining provisions shall not be affected or impaired

**12.2 Lack of capacity**

If this mortgage is executed by or on behalf of more than one person and any one or more of those persons is not bound by its provisions (whether by reason of lack of capacity or improper execution or for any other reason), the remaining parties shall continue to be so bound as if those who are not bound had not been parties to the security

**13 EXCLUSION OF THIRD PARTY RIGHTS**

Nothing in this mortgage is intended to confer any benefit on any person who is not a party to it

**14 GOVERNING LAW AND JURISDICTION**

**14.1 Construction**

This mortgage shall be governed by and construed in accordance with English law

**14.2 Jurisdiction of English courts**

It is irrevocably agreed for the exclusive benefit of the Trustees that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this mortgage and that accordingly any suit, action or proceeding arising out of or in connection with this mortgage may be brought in those courts

**14.3 Jurisdiction of other courts**

Nothing in this clause 14 shall limit the Trustees's right to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not

**15 TERMINATION**

- 15 1 If the Borrower shall be in breach of any of the provisions of this Agreement the Trustees may require repayment of the Loan and accrued Interest forthwith and enforce its security over the Borrower forthwith. No failure to exercise, nor any delay on the part of the Trustees in exercising, any rights or powers or privileges hereunder shall operate as a waiver thereof nor shall any single nor partial exercise of any such rights or powers or privileges preclude any other or further exercise thereof or the exercise of any other rights or powers or privileges
- 15 2 Notwithstanding anything hereinbefore contained the Loan, or the balance of the Loan for the time being outstanding, and accrued Interest and the monies due thereon shall become immediately repayable if
- 15 3 the Borrower makes default in the payment of any Capital Repayment or Interest or any other monies due hereunder,
- 15 4 an order is made or an effective resolution is passed for winding up the Borrower,
- 15 5 the Borrower ceases or threatens to cease to carry on its business or substantially the whole of its business,
- 15 6 an encumbrancer takes possession of, or a Receiver is appointed over, any part of the assets of the Borrower,
- 15 7 any distress, execution, sequestration or other process is levied or enforced upon or issued against the property of the Borrower and not discharged within 28 days,

- 15 8 the Borrower is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 (as re-enacted or amended),
- 15 9 the Borrower commits any breach of this Agreement,
- 15 10 it is required to enable the Trustees to pay benefits which have already become due under the Scheme

## 16 GENERAL PROVISIONS

- 16 1 During the continuance of this Agreement the Borrower may, with the consent of the Trustees (such consent not being unreasonably withheld), create or suffer to exist a second mortgage or charge on the whole or any part of its assets, ranking behind the security granted to the Scheme in respect of the Loan, as security for the repayment of monies borrowed in the ordinary course of its business whether from bankers or otherwise and the payment of interest, commission, costs, charges and expenses due in respect thereof
- 16 2 All payments by the Borrower to the Scheme shall be made free and clear of and without deduction of any alleged or actual set-off or counterclaim and without any deduction of any taxes, levies, imposts, duties, charges, fees, deductions or withholding of any nature now or hereafter imposed by any governmental authority in any jurisdiction or political subdivision or taxing authority thereof or therein unless the Borrower is compelled by law to deduct or withhold any such taxes levies imposts duties charges or fees
- 16 3 The Borrower shall have the right at any time on giving 14 days' notice in writing to the Trustees to make either partial Capital Repayments of the Loan or to repay the Loan in full together with all accrued Interest.
- 16 4 Any notice required to be served hereunder shall be given personally or by sending the same by first class post to the respective registered offices for the time being of the Borrower or the Trustees (as the circumstances require) and notice so given by post as aforesaid shall be deemed served 48 hours after it has been posted
- 16 5 The Borrower undertakes with the Trustees to notify the Trustees forthwith in writing of any matter which constitutes (or which, with the passage of time, would constitute) a default under this Agreement (or otherwise entitle the Trustees to demand repayment of the Loan)
- 16 6 Save for the purposes of compliance with statutory and legal obligations, the parties agree to keep the contents of this Agreement confidential and shall not disclose the contents thereof, without the prior written consent of the other party, such consent not to be unreasonably withheld or delayed.
- 16 7 A person who is not a party to this letter shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms
- 16 8 This Agreement and all matters arising from it shall be governed by and construed in accordance with English law and each party irrevocably submits to the exclusive jurisdiction of the English courts
- 16 9 This Agreement contains the entire Agreement between the parties hereto concerning the Confidential Information and supersedes any previous understandings commitments or agreements oral or written, provided that nothing in this clause shall be construed as limiting or excluding the parties' liability for fraud or fraudulent concealment



16 10 This Agreement contains the entire Agreement between the parties hereto concerning the subject matter of the Agreement and supersedes any previous understandings commitments or agreements oral or written, provided that nothing in this clause shall be construed as limiting or excluding the parties' liability for fraud or fraudulent concealment

## FIRST SCHEDULE

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All that freehold property known as 20 Richmond Avenue, Swalwell, Newcastle upon Tyne, NE16 3HA and which is registered at HM Land registry under title number TY23238

EXECUTED AS A DEED by affixing the common seal of Rowanmoor Trustees Limited in the presence of

Authorised signatory:

Authorised signatory

Executed as a DEED by the said

NICHOLAS LAYCOCK



In the presence of

Witness Name

  
PAUL CRAWLEY

Witness Address

BUTTERWORTH'S SOLICITORS, GATESHEAD

Witness Occupation

SOLICITOR


Executed as a DEED by the said

IAN MCGRAY



In the presence of

Witness Name

  
PAUL CRAWLEY

Witness Address

BUTTERWORTH'S SOLICITORS, GATESHEAD

Witness Occupation.

SOLICITOR

~~In the presence of~~



EXECUTED AS A DEED by

On behalf of McGray Property Services Limited



In the presence of



PAUL CRAWLEY

SOLICITOR

BUTTERWORTH'S SOLICITORS,  
GATESHEAD.