



**Registration of a Charge**

Company Name: **M&S FITNESS LIMITED**

Company Number: **09042644**



Received for filing in Electronic Format on the: **06/05/2021**

XA3XAOGI

**Details of Charge**

Date of creation: **29/04/2021**

Charge code: **0904 2644 0005**

Persons entitled: **LOAN2INVEST LIMITED**

Brief description: **THE LEASEHOLD PROPERTY KNOWN AS FIRST FLOOR FLAT, 12  
HAWKESWORTH CLOSE, NORTHWOOD AND GARAGE 62 AND  
STOREROOM F12 WITH TITLE NUMBER NGL440673**

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

Certified by: **VYMAN**



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

Company number: 9042644

Charge code: 0904 2644 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th April 2021 and created by M&S FITNESS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th May 2021 .

Given at Companies House, Cardiff on 7th May 2021

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



**Companies House**



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

**DATED 29<sup>TH</sup> APRIL 2021**

**NISHMA KIRIT SHAH (1)**

**TO**

**LOAN2INVEST LIMITED (2)**

---

**LEGAL CHARGE**

---

THIS LEGAL CHARGE is dated 29<sup>th</sup> APRIL 2021

#### **PARTIES**

- (1) **NISHMA KIRIT SHAH** of 12 Hawkesworth Close, Northwood HA6 2FT (**MORTGAGOR**).
- (2) **LOAN2INVEST LIMITED** incorporated and registered in England with company number 11883011 whose registered office is at Zone G, Salamander Quay West, Harefield, Middlesex UB9 6NZ (**MORTGAGEE**).

#### **BACKGROUND**

- (A) The Mortgagee has agreed under the Agreement to provide the Company with a financing facility on a secured basis.
- (B) The Mortgagor is the owner of the Property.
- (C) This mortgage provides security which the Company and the Mortgagor have agreed to give the Mortgagee for the financing facilities made or to be made available to the Company under the Agreement.
- (D) The Mortgagor confirms that they are aware of the contents of this mortgage and of the Agreement and have independently received legal advice before entering into this mortgage.

#### **AGREED TERMS**

##### **1. INTERPRETATION**

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

##### **1.1 Definitions:**

**Agreement:** the Facility Agreement dated 28<sup>th</sup> February 2020 between the Company (1) and the Mortgagee (2) for the provision of the financing facilities secured by this mortgage.

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

**Charged Property:** all the assets, property and undertaking for the time being, subject to the security interests created by this legal charge (and references to the Charged Property shall include references to any part of it).

**Company:** M&S Fitness Limited incorporated and registered in England with company number 09042644 whose registered office is at 12 The Wharf 16 Bridge Street, Birmingham, England, B1 2JS.

**Costs:** all costs, charges, expenses and liabilities of any kind including, without limitation, costs and damages in connection with litigation, professional fees, disbursements and any value added tax charged on Costs.

**Default Rate:** the default rate of interest agreed between the Company and the Mortgagee from time to time or, if no such rate has been agreed, a rate of five per cent (3.5%) per month.

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

**Environment:** the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.

**Environmental Law:** all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes insofar as they relate to or apply to the Environment.

**Environmental Licence:** any authorisation, permit or licence necessary under Environmental Law in respect of any of the Charged Property.

**Event of Default:** any Termination Event as such term is defined in the Agreement or any event or circumstance listed in *Schedule 6*.

**Insurance Policies:** all the contracts and policies of insurance effected or maintained by the Mortgagor or the Company from time to time in respect of its assets (including, without limitation, any insurances relating to the Property).

**LPA 1925:** the Law of Property Act 1925.

**Permitted Encumbrance:** The encumbrance created by the legal charge dated 21 June 2013 and made between the Mortgagor (1) and Santander UK PLC (2).

**Property:** the freehold or leasehold property (whether registered or unregistered) owned by the Mortgagor described in *Schedule 1*.

**Receiver:** a receiver, manager or receiver and manager of any or all of the Charged Property appointed under this legal charge.

**Rights:** any Encumbrance or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise.

**Secured Liabilities:** all present and future monies, obligations and liabilities owed by the Company or the Mortgagor to the Mortgagee, whether actual or contingent and whether owed jointly or severally, as principal, guarantor or surety or in any other capacity whatsoever and including, without limitation, interest (including default interest), commission and other fees and charges at the rates and on the terms agreed between the Company or the Mortgagor and the Mortgagee from time to time, any amounts arising under clause 26.3(a) and all costs, charges and expenses incurred by the Mortgagee or any Receiver in connection with the protection, preservation or enforcement of the rights under this legal charge.

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

**Valuation:** any valuation relating to the Property supplied to the Mortgagee by the Company or Mortgagor (or on its behalf).

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

- 1.2 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.3 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.

- 1.4 A reference to laws in general is a reference to all local, national and directly applicable supra-national laws as amended, extended or re-enacted from time to time and shall include all subordinate laws made from time to time under them and all orders, notices, codes of practice and guidance made under them.
- 1.5 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.6 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.7 Unless the context otherwise requires, references to clauses and Schedules are to the clauses and Schedules of this mortgage and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.8 A reference to **this mortgage** (or any provision of it) or to any other document referred to in this mortgage is a reference to this legal mortgage, that provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties.
- 1.9 A reference to a **person** includes a natural person, corporate or unincorporated body, or any state or any agency of any person.
- 1.10 A reference to an amendment includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly).
- 1.11 Clause, Schedule and paragraph headings shall not affect the interpretation of this mortgage.
- 1.12 If there is an inconsistency between a defined term in this mortgage and in the Agreement, the provisions of this mortgage shall prevail.
- 1.13 If the Mortgagee considers that an amount paid by the Company or the Mortgagor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the bankruptcy of the Company or the Mortgagor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this mortgage.
- 1.14 A reference in this mortgage to a charge or mortgage of, or over, the Property includes:
- (a) all buildings and fixtures and fittings which are situated on, or form part of, the Property at any time;
  - (b) the proceeds of sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;
  - (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Mortgagor in respect of the Property and any monies paid or payable in respect of those covenants; and
  - (d) all rights under any licence, agreement for sale or agreement for lease in respect of the Property.
- 1.15 For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Agreement and of any side letters between any parties in relation to the Agreement are incorporated into this mortgage.

- 1.16 If the rule against perpetuities applies to any trust created by this legal charge, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).
- 1.17 The Schedules form part of this mortgage and shall have effect as if set out in full in the body of this mortgage. Any reference to this mortgage includes the Schedules.
- 1.18 The parties intend this legal charge to be delivered on the first date specified on page 1 of this legal charge and that this document shall take effect as a deed notwithstanding the fact that the Mortgagee may only execute this document under hand.
- 2. COVENANT TO PAY**
- The Mortgagor shall, on demand, pay to the Mortgagee and discharge the Secured Liabilities when they become due.
- 3. DEFAULT RATE**
- 3.1 Any amount which is not paid under this legal charge when due shall bear interest (both before and after judgment and payable on demand) from the due date (or, in the case of costs, fees or expenses incurred, from the date they are so incurred) until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the Default Rate.
- 3.2 Default Interest will be calculated on the basis of the actual number of days elapsed and a year of 365 days and will be compounded at monthly intervals.
- 4. GRANT OF SECURITY**
- As a continuing security for the payment and discharge of the Secured Liabilities, the Mortgagor, with full title guarantee:
- 4.1 charges the Property, to the Mortgagee by way of a legal mortgage;
- 4.2 charges to the Mortgagee, by way of a fixed charge:
- (a) all rental income derived from the Property;
  - (b) all present and future interests of the Mortgagor in, or over, freehold, leasehold or commonhold property;
  - (c) all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Property;
  - (d) all rights and interests of the Mortgagor in, and claims under, each Insurance Policy and all proceeds of each Insurance Policy;
  - (e) the benefit of all licences, consents, agreements and authorisations held or utilised by the Mortgagor in connection with the Company.
- 4.3 charges by way of specific equitable charge any shares or membership rights or other rights which the Mortgagor owns in any estates or interests in the Property including but not limited to any shares in any management company or tenants' association or superior title to the Property.
- 4.4 charges to the Mortgagee, by way of first floating charge, all movable plant, machinery, implements, building, materials, furniture, equipment, undertaking and assets now or from time to time place on or used in or about the Property with payment of all money covenanted to be paid by the Mortgagor under this legal charge at any time.

- 4.5 Assigns the benefit of all guarantees, warranties and representations given or made by and any rights or remedies against all or any architects, quantity surveyors, engineers or other professionals now or at any time engaged by the Mortgagor in relation to the Property and the manufacturers, suppliers or installers of all plant, machinery, fixtures, fittings and other items now or from time to time in the buildings erected or to be erected on the Property and any other persons firm or company now or from time to time under contract with or under a duty to the Mortgagor including, but without limitation, the right to prosecute in the name of the Mortgagors any proceedings against any such person in respect of any act, omission neglect, default, breach of contract or breach of duty whether relating to the design, construction, inspection or supervision of the construction of any said buildings or to the quality or fitness for use of such plant, machinery, fixtures, fittings and other items or otherwise howsoever and the benefit of all sums recovered in any proceedings against all or any such persons (subject to reassignment on redemption).

**5. ASSIGNMENT CLAUSE**

As a continuing security for the payment and discharge of the Secured Liabilities, the Mortgagor with full title guarantee assigns to the Mortgagee absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities to the extent not effectively charged pursuant to clause 4.2(d), all the rights, title, interest and benefit of the Mortgagor in and to each Insurance Policy together with the proceeds of each Insurance Policy.

**6. PERFECTION OF SECURITY**

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

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated ..... in favour of Loan2Invest Limited referred to in the charges register or their conveyancer."

**7. LIABILITY OF THE MORTGAGOR**

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

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Mortgagee that is or becomes wholly or partially illegal, void or unenforceable on any ground;
- (b) the Mortgagee renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- (c) any time, waiver or consent granted to, or composition with the Company or the Mortgagor or any other person;
- (d) the release of the Company or the Mortgagor or any other person under the terms of any composition or arrangement with any creditor of the Company or the Mortgagor;



- (e) the Mortgagee failing to realise the full value of any Encumbrance held by it;
- (f) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Company of the Mortgagor or any other person or any defective or excessive exercise of the Company and the Mortgagor's powers or authority;
- (g) any insolvency, bankruptcy, liquidation, administration, winding-up, incapacity, dissolution, limitation, disability, the discharge by operation of law or any similar proceedings in respect of the Mortgagor or any other person; or
- (h) any change in the constitution, name or style of the Company or the Mortgagor or any other person, or if the Company or the Mortgagor or such other person is a partnership or other unincorporated organisation, its dissolution or any change in its status or membership; or
- (i) any other act or omission, which but for this clause might have discharged or otherwise prejudiced or affected the liability of the Company or the Mortgagor.

7.2 The Mortgagor waives any right it may have to require the Mortgagee:

- (a) to take any action or obtain judgment in any court against the Company or any other person;
- (b) to make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Company or any other person;
- (c) to make demand, enforce or seek to enforce any claim, right or remedy against the Company or any other person,

before enforcing this mortgage against the Mortgagor

## 8. NON-COMPETITION

The Mortgagor warrants to the Mortgagee that it has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against the Company, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, the Mortgagor under this deed (other than a private contribution agreement with other guarantors) but:

- (a) if any of the Rights is taken, exercise or received by the Mortgagor, those Rights and all monies at any time received or held in respect of those Rights shall be held by the Mortgagor on trust for the Mortgagee for application in or towards the discharge of the Secured Liabilities under this mortgage; and
- (b) on demand by the Mortgagee, the Mortgagor shall promptly transfer, assign or pay to the Mortgagee all Rights and all monies from time to time held on trust by the Mortgagor under this clause 8.

## 9. REPRESENTATIONS AND WARRANTIES

The Mortgagor represents and warrants to the Mortgagee in the terms set out in *Schedule 2* on each day during the Security Period.

**10. COVENANTS**

The Mortgagor covenants with the Mortgagee in the terms set out in *Schedule 3* and where required by the Mortgagee the Mortgagor shall produce evidence of compliance to the Mortgagee.

**11. POWERS OF THE MORTGAGEE**

The Mortgagee shall have the powers set out in *Schedule 4*.

**12. NEW ACCOUNTS**

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

12.2 If the Mortgagee does not open a new account immediately on receipt of the notice, or deemed notice, referred to in clause 12.1, then, unless the Mortgagee gives express written notice to the contrary to the Mortgagor, all payments made by the Mortgagee to the Mortgagor shall be treated as having been credited to a new account of the Mortgagor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Mortgagee.

**13. INDULGENCE**

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

**14. WHEN SECURITY BECOMES ENFORCEABLE**

14.1 The security constituted by this mortgage shall be immediately enforceable if an Event of Default occurs.

14.2 After the security constituted by this mortgage has become enforceable, the Mortgagee may, in its absolute discretion, enforce all or any part of that security at the time, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Property.

**15. ENFORCEMENT OF SECURITY**

15.1 As regards the enforcement of security:

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

been remedied or waived) whereupon it shall become immediately exercisable.

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

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

- (a) grant any lease or agreement for lease;
- (b) accept surrenders for leases; or
- (c) grant any option of the whole or any part of the Property with whatever rights relating to other parts of it,

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

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

- (a) redeem such or any other prior Encumbrance;
- (b) procure the transfer of that Encumbrance to itself; and/or
- (c) settle any account of the older of any prior Encumbrance.

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

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

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- (b) whether any power of the Mortgagee or the Receiver is purporting to exercise, has become exercisable or is properly exercisable; or
- (c) how any money paid to the Mortgagee or any Receiver is to be applied.

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

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

- 15.7 If the Mortgagee or any Receiver enters into or takes possession of the Property, he may at any time relinquish possession.
- 15.8 The receipt of the Mortgagee or any Receiver shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Property or in making any acquisition in the exercise of their respective powers, the Mortgagee and the Receiver may do so for such consideration, in such manner and on such terms as he thinks fit.

**16. RECEIVERS**

- 16.1 At any time after the security constituted by this mortgage has become enforceable the Mortgagee may, without further notice, appoint by way of a deed or otherwise in writing, any one or more person or persons to be a receiver or a receiver and manager, of all or any part of the Property.
- 16.2 The Mortgagee may, without further notice (subject to section 45 of the Insolvency Act 1986), from time to time, by way of a deed or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in place of any Receiver whose appointment may for any reason have terminated.
- 16.3 The Mortgagee may fix the remuneration of the Receiver without the restrictions contained in section 109 of the LPA 1925 and the remuneration of the Receiver shall be a debt secured by this mortgage, which shall be due and payable immediately on its being paid by the Mortgagee.
- 16.4 The power to appoint a Receiver conferred by this mortgage shall be in addition to all statutory and others powers of the Mortgagee under the Insolvency Act 1986, the LPA 1925 or otherwise and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.
- 16.5 The power to appoint a Receiver (whether conferred by this mortgage or by statute) shall be, and remain, exercisable by the Mortgagee despite any prior appointment in respect of all or any part of the Property.
- 16.6 Any Receiver appointed under this mortgage shall be the agent of the Mortgagor and the Mortgagor shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of the Receiver shall continue until the Mortgagor becomes bankrupt.

**17. POWERS OF RECEIVER**

The Receiver shall have the powers set out in *Schedule 5*.

**18. POWER OF ATTORNEY**

- 18.1 By way of security, the Mortgagor irrevocably appoints the Mortgagee and every Receiver separately to be the attorney of the Mortgagor and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:
- 18.1.1 the Mortgagor is required to execute and do under this legal charge including, without limitation, execute any document required by the Mortgagee under clause 21; and
- 18.1.2 any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this legal charge or by law on the Mortgagee or any Receiver.

18.2 Each agent and attorney may appoint a substitute or delegate his authority.

**19. RATIFICATION OF ACTS OF ATTORNEY**

The Mortgagor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in clause 18.

**20. APPLICATION OF PROCEEDS**

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

- (a) in or towards payment of, or provision for, all costs, charges and expenses incurred by or on behalf of the Mortgagee (and any Receiver appointed by it) under or in connection with this mortgage and all remuneration due to any Receiver under or in connection with this mortgage;
- (b) in or towards payment of, or provision for, the Secured Liabilities in such order and manner as the Mortgagee determines; and
- (c) in payment of the surplus (if any) to the Mortgagor or other person entitled to it.

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

**21. COSTS AND INDEMNITY**

21.1 The Mortgagor shall pay to, or reimburse the Mortgagee on demand, on a full indemnity basis, all costs and liabilities reasonably incurred by the Mortgagee, in relation to:

- (a) this mortgage or the Property;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Mortgagee's or Receiver's rights under this mortgage; or
- (c) suing for, or recovering, any of the Secured Liabilities.

Including, without limitation, the costs of any proceedings in relation to this mortgage or the Secured Liabilities or incurred in or suffered by any default or delay by the Mortgagor in performing any of its obligations under this mortgage together with interest due on any amount under clause 21.1(b) and clause 21.1(c) at the Default Rate in accordance with clause 3.

21.2 The Mortgagor shall pay all present and future stamp, registration and similar taxes or charges which may be payable, or determined to be payable, in connection with the execution, delivery, performance or enforcement of this legal charge or any judgment given in connection therewith and shall indemnify the Mortgagee and any Receiver against any and all liabilities, including penalties with respect to, or resulting from, its delay or omission to pay any such stamp, registration and similar taxes or charges.

21.3 The Mortgagor shall indemnify the Mortgagee and the Receiver on a full indemnity basis in respect of all costs reasonably incurred or suffered by any of them in or as a result of:

- (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this mortgage or by law in respect of the Property;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this mortgage; or
- (c) any default or delay by the Mortgagor in performing any of its obligations under this mortgage.

Any representative of the Mortgagee or the Receiver may enforce the terms of this clause 20 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

## **22. FURTHER ASSURANCE**

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

- (a) creating, perfecting or protecting the security intended to be created by this mortgage;
- (b) facilitating the realisation of any of the Property;
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Mortgagee or the Receiver in respect of any of the Property,

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

## **23. RELEASE**

Subject to clause 26.3, on the expiry of the Security Period (but not otherwise), the Mortgagee shall, at the request and cost of the Mortgagor, take whatever action is necessary to release the Property from the security constituted by this mortgage.

## **24. DISCLOSURE**

The Mortgagor consents to the disclosure by the Mortgagee of any information about it or this legal charge and the Property and the Secured Liabilities to any insurer of the Property or any person to whom disclosure is required by law or to any third party who has or intends to enter into any contractual arrangements relating to the legal charge or the Property or the Secured Liabilities or who assumes any rights in relation to them and any of their advisers

## **25. ASSIGNMENT AND TRANSFER**

25.1 The Mortgagee may, without the consent of the Mortgagor, assign or transfer the whole or any part of the Mortgagee's rights and/or obligations under this mortgage to any person and in this event the Mortgagor's existing rights in relation to the same will remain unaffected but its obligations will be owed to the third party instead of the Mortgagee and the Mortgagee will be released from its obligations to

the Mortgagor insofar as the third party has assumed the Mortgagees obligations. If required to do so the Mortgagor will enter into any documentation required to effect any transfer of rights.

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

**26. CONTINUING SECURITY**

- 26.1 This mortgage shall be in addition to, and independent of, every other security or guarantee which the Mortgagee may hold for any of the Secured Liabilities at any time. No prior security held by the Mortgagee over the whole or any part of the Property shall merge in the security created by this mortgage.
- 26.2 This mortgage shall remain in full force and effect as a continuing security for the Secured Liabilities unless and until the Mortgagee discharges this mortgage in writing.
- 26.3 Any release, discharge or settlement between the Mortgagor and the Mortgagee shall be deemed conditional on no payment or security received by the Mortgagee in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded under any law relating to insolvency, bankruptcy or otherwise. Despite any such release, discharge or settlement:
- (a) the Mortgagee may retain this mortgage and the security created by or under it, including all certificates and documents relating to the whole or any part of the Property, for such period as the Mortgagee deems necessary to provide the Mortgagee with security against any such avoidance, reduction or order for refund; and
  - (b) the Mortgagee may recover the value or amount of such security or payment from the Mortgagor subsequently as if such release, discharge or settlement had not occurred.
- 26.4 If any claim of the kind referred to in clause 26.3 is made against the Mortgagee under insolvency laws, the Mortgagee may agree the claim or settle it on any terms it chooses without asking for the Mortgagor's agreement.
- 26.5 If the Mortgagee does agree to settle the claim in accordance with clause 26.4, the Mortgagor will be liable under this legal charge as if a court order had been made containing the terms the Mortgagee has agreed.
- 26.6 The Mortgagor will be responsible for all costs and expenses the Mortgagee properly incurs in defending any claim of the kind referred to in clause 26.3.
- 26.7 A certificate or determination by the Mortgagee as to any amount for the time being due to it from the Mortgagor, shall be, in the absence of any manifest error, conclusive evidence of the amount due.
- 26.8 The rights and remedies of the Mortgagee provided under this mortgage are cumulative, may be exercised as often as the Mortgagee considers appropriate, and are in addition to, and not exclusive of, any rights and remedies provided by law.
- 26.9 A waiver of any right or remedy by the Mortgagee under this mortgage or by law is only effective if given in writing and signed by the Mortgagee and shall not be deemed a waiver of any other breach or default. It applies only in the circumstances for which it is given, and shall not prevent the Mortgagee from subsequently relying on the relevant provision.

- 26.10 No act or course of conduct or negotiation by or on behalf of the Mortgagee shall, in any way, preclude the Mortgagee from exercising any right or power under this mortgage or constitute a suspension or variation of any such right or power.
- 26.11 No delay or failure to exercise any right or power under this mortgage shall operate as a waiver.
- 26.12 No single or partial exercise of any right under this deed shall prevent any other or further exercise of that or any other right.
- 26.13 The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this mortgage.
- 26.14 If any provision or part-provision of this mortgage is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this mortgage.
- 26.15 This mortgage may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original but all the counterparts shall together constitute the one deed.
- 27. NOTICES**
- 27.1 Any notice or other communication given under, or in connection with, this mortgage must be in writing.
- 27.2 Any notice or other communication given or delivered under this mortgage must be:
- (a) delivered by hand;
  - (b) sent by pre-paid first-class post or other next working day delivery service; or
  - (c) sent by fax.
- 27.3 Any notice or other communication to be given or delivered under this mortgage must be sent to the relevant party as follows:
- (a) to the Mortgagor at:  
12 Hawkesworth Close, Northwood HA6 2FT
  - (b) to the Mortgagee at: Zone G, Salamander Quay West, Harefield, Middlesex UB9 6NZ  
marked for the attention of: Head of Credit
- or as otherwise specified by the relevant party by notice in writing to each other party.
- 27.4 Any notice or other communication that the Mortgagee gives to the Mortgagor under, or in connection with, this mortgage will be deemed to have been received:
- (a) if delivered by hand, at the time it is left at the relevant address;
  - (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; and
  - (c) if sent by fax, when received in legible form.



A notice or other communication given as described in clause 27.4(a) or clause 27.4(c) on a day which is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

- 27.5 Any notice or other communication given to the Mortgagee shall be deemed to have been received only on actual receipt.
- 27.6 A notice or other communication given under or in connection with this mortgage is not valid if sent by e-mail.
- 27.7 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

**28. GOVERNING LAW**

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

**29. JURISDICTION**

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

**30. OTHER SERVICE**

The Mortgagor irrevocably consents to any process in any proceedings being served on it in accordance with the provisions of this legal charge relating to service of notices. Nothing contained in this legal charge shall affect the right to serve process in any other manner permitted by law.

**31. THIRD PARTY RIGHTS**

- 31.1 Except as expressly provided in clause 21.3 and subject to clauses 31.3 and 31.4 a person who is not a party to this mortgage shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this mortgage.
- 31.2 The rights of the parties to terminate, rescind or agree any variation, waiver or settlement under this mortgage are not subject to the consent of any other person.
- 31.3 Any person to whom the benefit of any provision of this legal charge is assigned in accordance with the terms of this legal charge is entitled under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this legal charge which confers (expressly or impliedly) any benefit on any such person.
- 31.4 Any Receiver may, subject to the Contracts (Rights of Third Parties) Act 1999 rely on any clause of this legal charge which expressly confers rights on it.

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

#### **Schedule 1 Property**

The leasehold property known as first floor flat, 12 Hawkesworth Close, Northwood and garage 62 and storeroom F12, HA6 2FT title to which is registered at the Land Registry under title number NGL440673.

## **Schedule 2 Representations and warranties**

### **1. STATUS**

- 1.1 The Company is a limited company or limited liability partnership duly organised, validly existing and registered under the relevant laws of its jurisdiction of incorporation.
- 1.2 The Mortgagor has the power to own its assets and carry on its business as it is being conducted.

### **2. AUTHORITY**

The Mortgagor is empowered to enter into and perform its obligations contained in this legal charge and has taken all necessary action to authorise the execution, delivery and performance of this legal charge, to create the security to be constituted by this legal charge and to observe and perform its obligations under this legal charge

### **3. BINDING OBLIGATIONS**

The obligations expressed to be assumed by the Mortgagor in this legal charge are legal, valid, binding and enforceable obligations.

### **4. NON-CONFLICT WITH OTHER OBLIGATIONS**

The entry into and performance by it of, and the transactions contemplated by, this legal charge and the granting of this legal charge and security constituted by this legal charge do not and will not conflict with:

- 4.1 any law or regulation applicable to it;
- 4.2 its constitutional documents;
- 4.3 any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

### **5. OWNERSHIP OF PROPERTY**

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

### **6. NO ENCUMBRANCES**

The Property is free from any Encumbrances other than Permitted Encumbrances and the Encumbrance created by this mortgage.

### **7. ADVERSE CLAIMS**

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

### **8. ADVERSE COVENANTS**

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

### **9. NO BREACH OF LAWS**

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

### **10. NO INTERFERENCE IN ENJOYMENT**

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

**11. NO OVERRIDING INTERESTS**

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

**12. AVOIDANCE OF SECURITY**

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

**13. NO PROHIBITIONS OR BREACHES**

There is no prohibition on the Mortgagor assigning its rights in the Property and the entry into this mortgage by the Mortgagor does not and will not constitute a breach of any policy, agreement, document or instrument binding on the Mortgagor or its assets.

**14. ENVIRONMENTAL COMPLIANCE**

The Mortgagor has, at all times, complied in all respects with all applicable Environmental Law and Environmental Licences.

**15. INFORMATION FOR VALUATIONS**

- 15.1 All written information supplied by the Mortgagor or on its behalf for the purpose of each Valuation was true and accurate in all material respects as at its date or as at the date (if any) on which it was stated to be given.
- 15.2 The information given in paragraph 15.1 was complete and the Mortgagor did not omit to supply any information which, if disclosed, would adversely affect the Valuation.
- 15.3 Nothing has occurred since the date the information referred to in paragraph 15.1 was supplied and the date of this deed which would adversely affect such Valuation.

### **Schedule 3 Covenants**

#### **Part 1. General covenants**

**1. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS**

The Mortgagor shall not at any time, except with the prior written consent of the Mortgagee:

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

**2. PRESERVATION OF PROPERTY**

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

**3. COMPLIANCE WITH LAWS AND REGULATIONS**

3.1 The Mortgagor shall not, without the Mortgagee's prior written consent, use or permit the Property to be used in any way contrary to law.

3.2 The Mortgagor shall:

- (a) comply with the requirements of any law and regulation relating to or affecting the Property or the use of it or any part of it;
- (b) promptly undertake any maintenance, modifications, alterations or repairs to be carried out on or in connection with the Property that are required to be made by it under any law or regulation.

3.3 The Mortgagor shall obtain and promptly renew from time to time and comply with the terms of all consents which may be necessary to enable it to preserve, maintain or renew the Property or any part of it.

**4. ENFORCEMENT OF RIGHTS**

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

**5. NOTICE OF MISREPRESENTATIONS OR BREACHES**

The Mortgagor shall promptly on becoming aware of the same, give the Mortgagee notice in writing of:

- 5.1 Any representation or warranty set out in Schedule 2 which is incorrect or misleading in any material respect when made or deemed to be repeated; and
- 5.2 Any breach of covenant set out in this mortgage.

**6. MORTGAGOR'S WAIVER OF SET-OFF**

The Mortgagor waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Mortgagor under this mortgage).

**7. NOTICE OF BREACHES**

The Mortgagor shall, promptly on becoming aware of any of the same, give the Mortgagee notice in writing of any breach of:

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

**Part 2. Property covenants**

**1. REPAIR AND MAINTENANCE**

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

**2. NO ALTERATIONS**

2.1 The Mortgagor shall not, without the prior written consent of the Mortgagee:

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

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

**3. DEVELOPMENT RESTRICTIONS**

The Mortgagor shall not, without the prior written consent of the Mortgagee:

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

**4. INSURANCE**

4.1 The Mortgagor shall insure and keep insured, (or where insurance is the responsibility of the landlord under the terms of the lease) procure that the landlord insures and keeps insured, the Property against fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, escape of water or oil, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion, malicious damage, theft or attempted theft, falling trees and branches and aereals, subsidence, heave, landslip, collision, accidental damage to underground services, public liability to anyone else and any

other risks which the Mortgagee reasonably requires to be insured against from time to time.

- 4.2 The Mortgagor shall, if requested by the Mortgagee, produce to the Mortgagee the policy, certificate or cover note relating to any such insurance required by paragraph 4.1 of this Part 2, Schedule 3 (or where such insurance is effected by the landlord, such evidence of insurance as the Mortgagor is entitled to obtain from the landlord under the terms of the relevant lease).
- 4.3 The Mortgagor must procure that the Insurance Policies comply with the following requirements:
- 4.3.1 The Mortgagor shall, if requested by the Mortgagee, procure that a note of the Mortgagee's interest is endorsed on each of the Insurance Policies (other than public liability and third party liability insurances) maintained by it or any person on its behalf in accordance with clause paragraph 4.1 of this Part 2, Schedule 3 but without the Mortgagee having any liability for any premium in relation to those Insurance Policies unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any Insurance Policy.
- 4.3.2 each of the Insurance Policies must contain:
- (a) a non-invalidating and non-vitiating clause under which the Insurance Policies will not be vitiated or avoided as against the Mortgagee as a result of any circumstances beyond the control of the Mortgagee or any misrepresentation, non-disclosure, or breach of any policy term or condition, on the part the Mortgagee;
  - (b) a waiver of the rights of subrogation of the insurer as against the Mortgagor, the Mortgagee and any tenants of any Property; and
  - (c) a loss payee clause in such terms as the Mortgagee may reasonably require in respect of insurance claim payments otherwise payable to the Mortgagee
- 4.3.3 the insurers must give at least 30 days' notice to the Mortgagee if any insurer proposes to repudiate, rescind or cancel any Insurance Policy, to treat it as avoided in whole or in part, to treat it as expired due to non-payment of premium or otherwise decline any valid claim under it by or on behalf of any insured party and must give the opportunity to rectify any such non-payment of premium within the notice period.
- 4.4 If the Mortgagor fails to comply with any term of paragraph 4 of Part 2 of Schedule 3 (*Covenants*), the Mortgagee may, at the expense of the Mortgagor effect any insurance and generally do such things and take such other action as the Mortgagee may reasonably consider necessary or desirable to prevent or remedy any breach of such clause.
5. **INSURANCE PREMIUMS**
- The Mortgagor:
- (a) shall promptly pay all premiums in respect of any insurance policy on the Property and do all other things necessary to keep such policy in full force and effect; and

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

**6. NO INVALIDATION OF INSURANCE**

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

**7. INSURANCE POLICIES' PROCEEDS**

- 7.1 All monies payable under any Insurance Policy at any time (whether or not the security constituted by this legal charge has become enforceable) shall, save to the extent required by the basis of settlement under any Insurance Policy or under any lease of a relevant Property:

- 7.1.1 immediately paid to the Mortgagee;
- 7.1.2 if they are not paid directly to the Mortgagee by the insurers, be held by the Mortgagor as trustee of the same for the benefit of the Mortgagee (and the Mortgagor shall account for them to the Mortgagee); and
- 7.1.3 the option of the Mortgagee, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities.

- 7.2 The Mortgagor shall within immediately on the execution of this legal charge give notice to each insurer of the assignment of the Mortgagor's rights and interest in and under each Insurance Policy pursuant to clause 5 and procure that each addressee of any such notice promptly provides an acknowledgement of the Mortgagee's interest to the Mortgagee.

- 7.3 The Mortgagor shall obtain the Mortgagee's prior approval of the form of any notice or acknowledgement to be used under this paragraph 7.

**8. LEASES AND LICENCES AFFECTING THE PROPERTY**

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

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



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

**9. NO RESTRICTIVE OBLIGATIONS**

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

**10. PROPRIETARY RIGHTS**

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

**11. REGISTRATION RESTRICTIONS**

The Mortgagor shall procure that no person shall be registered under the Land Registration Acts 1925 to 2002 as proprietor of any Property without the prior written consent of the Mortgagee. The Mortgagor shall be liable for the Costs of the Mortgagee in lodging cautions against the registration of the title to the whole or any part of any Property from time to time.

**12. COMPLIANCE WITH AND ENFORCEMENT OF COVENANTS**

The Mortgagor shall:

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

**13. COMPLIANCE WITH STATUTES**

- 13.1 The Mortgagor must observe any and every present or future statute, regulation, order and instrument or under any by-laws, regulations or requirements of any competent authority or other approvals, licences or consents, relating to or affecting any Property or any development or the use of any Property for any purpose or the employment of persons in any Property, and must execute all works and provide and maintain all arrangements that any authorised person, authority or body recommends, directs or requires should be executed, provided or maintained at any time.
- 13.2 On becoming aware of any notice or proposal that may affect a Property the Mortgagor must immediately inform the Mortgagee and if the Mortgagee requires the Mortgagor must take all steps required to comply with the said notice or proposal or make objections or representations.

**14. NOTICES OR CLAIMS RELATING TO THE PROPERTY**

The Mortgagor shall:

- 14.1 Give full particulars to the Mortgagee of any notice, application or requirement given or made by any public or local body or authority (a **Notice**) that specifically

applies to the Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice.

- 14.2 If the Mortgagee so requires, immediately, and at the cost of the Mortgagor, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Mortgagee in making, such objections or representations in respect of any such Notice as the Mortgagee may desire.

**15. PAYMENT OF RENT AND OUTGOINGS**

The Mortgagor shall:

- (a) where the Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time; and
- (b) pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Property or on its occupier.

**16. RENT REVIEWS**

The Mortgagor:

- (a) shall, if the Property is subject to occupational leases or licences, implement any upwards rent review provisions and shall not, without the prior written consent of the Mortgagee, agree to any change in rent to less than the open market rental value of the relevant part of the Property; and
- (b) shall not, without the prior written consent of the Mortgagee, if the Property is leasehold, agree to any change in the rent payable under the lease in excess of the open market rental value and shall only agree to any upwards rent review in accordance with the terms of the lease.

**17. CONDUCT OF BUSINESS ON PROPERTY**

The Mortgagor shall carry on its trade and business on those parts (if any) of the Property as are used for the purpose of a trade or business in accordance with the standards of good management from time to time current in such trade or business.

**18. INSPECTION**

The Mortgagor must permit the Mortgagee, any Receiver or its agent, surveyor or designated representative at reasonable times and on reasonable notice to:

- 18.1 upon all buildings, erections or structures forming part of the Property, without prejudice to the powers conferred by this legal charge and without becoming a mortgagee in possession, for any reasonable purpose and to view the state of the same and undertake valuations;
- 18.2 have access to its accounts and accounting records and to any books and records relating to of the Charged Property, to inspect and take extracts from and make photocopies of the same and the Mortgagor shall provide, at its cost and expense, such clerical and other assistance as the Mortgagee may reasonably request.

**19. ENVIRONMENT**

The Mortgagor shall in respect of the Property:

- 19.1 Comply with all the requirements of Environmental Law.

19.2 Obtain and comply with all Environmental Licences.

**20. INSPECTION**

The Mortgagor shall permit the Mortgagee and any person appointed by them to enter on and inspect the Property on reasonable prior notice.

**21. VAT OPTION TO TAX**

The Mortgagor shall not, without the prior written consent of the Mortgagee:

21.1 Exercise any VAT option to tax in relation to the Property.

21.2 Revoke any VAT option to tax exercised prior to and disclosed to the Mortgagee in writing prior to the date of this mortgage.

#### **Schedule 4 Powers of the Mortgagee**

**1. POWER TO REMEDY**

- 1.1 The Mortgagee shall be entitled (but shall not be obliged) to remedy a breach at any time by the Mortgagor of any of its obligations contained in this mortgage. Any monies expended by the Mortgagee in remedying a breach by the Mortgagor of any of its obligations contained in this mortgage shall be reimbursed by the Mortgagor to the Mortgagee on a full indemnity basis.
- 1.2 In remedying any breach in accordance with paragraph 1.1 of Schedule 4, the Mortgagee and its agents shall be entitled to enter onto the Property and to take any action as the Mortgagee may reasonably consider necessary or desirable including, without limitation, carrying out any repairs or other works.

**2. EXERCISE OF RIGHTS**

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

**3. POWER TO DISPOSE OF CHATTELS**

- 3.1 At any time after the security constituted by this legal charge has become enforceable, the Mortgagee or any Receiver may, as agent for the Mortgagor, dispose of any chattels or produce found on any Property.
- 3.2 Without prejudice to any obligation to account for the proceeds of any disposal made under paragraph 3.1 of this Schedule 4, the Mortgagor shall indemnify the Mortgagee and any Receiver against any liability arising from such disposal.

## **Schedule 5 Powers of the Receiver**

### **1. ADDITIONAL POWERS**

- 1.1 Any Receiver appointed by the Mortgagee under this mortgage shall, in addition to the powers conferred on him by statute, have the powers set out in this Schedule 5.
- 1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this mortgage individually and to the exclusion of any other Receiver.
- 1.3 Any exercise by a Receiver of any of the powers given by Schedule 5 may be on behalf of the Mortgagor, the directors of the Mortgagor himself.

### **2. REPAIR AND DEVELOP**

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

### **3. GRANT OR ACCEPT SURRENDER OF LEASES**

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

### **4. EMPLOY PERSONNEL AND ADVISERS**

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

### **5. OPTION TO TAX**

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

### **6. REMUNERATION**

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

### **7. REALISE THE PROPERTY**

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

### **8. MANAGE OR RECONSTRUCT THE MORTGAGOR'S BUSINESS**

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

### **9. DISPOSE OF THE PROPERTY**

The Receiver may grant options and licences over all or any part of the Property, sell, assign, lease and accept surrenders of leases of (or concur in selling, assigning, leasing or accepting surrenders of leases of) all or any of the Property in respect of

which is appointed for such consideration and, in such manner (including without limitation, by public auction or private sale) and generally on such terms and conditions as he thinks fit. The Receiver may promote, or concur in promoting, a company to purchase the Property to be disposed of by him.

**10. SEVER FIXTURES AND FITTINGS**

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

**11. GIVE VALID RECEIPTS**

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

**12. MAKE SETTLEMENTS**

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

**13. BRING PROCEEDINGS**

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

**14. INSURE**

The Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 21.2 effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Mortgagor under this mortgage.

**15. POWER TO OPERATE RENT REVIEWS**

A Receiver may exercise all powers provided for in the Law of Property Act 1925 in the same way as if he had been duly appointed under that act, and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act.

**16. POWERS UNDER THE LPA**

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

**17. REDEEM PRIOR CHARGES**

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

**18. ABSOLUTE BENEFICIAL OWNER**

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

**19. INCIDENTAL POWERS**

The Receiver may do all such other acts and things:

- (a) he may consider desirable or necessary for realising any of the Property;

- (b) he may consider incidental or conducive to any of the rights or powers conferred on the Receiver under or by virtue of this mortgage or law; or
- (c) which he lawfully may or can do as agent for the Mortgagor.

### **Schedule 6 Events of Default**

**1. NON-PAYMENT**

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

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

**2. NON-COMPLIANCE**

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

- 2.1 The Mortgagee notifying the Company or the Mortgagor of the default and the remedy required.
- 2.2 The Company or the Mortgagor becoming aware of the default.

**3. MISREPRESENTATION**

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

**4. INSOLVENCY**

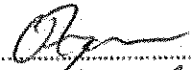
- 4.1 The Company or the Mortgagor stops or suspends payment of any of its debts or is unable to pay any of its debts as they fall due.
- 4.2 A petition for a bankruptcy order is presented or a bankruptcy order is made against the Mortgagor.



EXECUTED as a DEED by NISHMA )  
KIRIT SHAH in the presence of: )

  
Nishma Kirit Shah

Witness signature



Witness name

Vymon Hoyle

Witness address

Vymon Hoyle 104  
College Road, Herson HA1 1BA

Witness occupation

Solicitor

SIGNED for and on behalf of )  
LOANZINVEST LIMITED )  
In the presence of: )

Witness signature

.....

Witness name

.....

Witness address

.....

Witness occupation

.....

