



Registration of a Charge

Company name: **THE BALTIC LIVING LTD**

Company number: **09855739**



X98W7RGZ

Received for Electronic Filing: **09/07/2020**

Details of Charge

Date of creation: **08/07/2020**

Charge code: **0985 5739 0005**

Persons entitled: **MASLOW 2 LIMITED**

Brief description: **1. FREEHOLD PROPERTY KNOWN AS 35-39 (ODD) GREENLAND STREET, LIVERPOOL – TITLE NUMBER MS334041 2. LEASEHOLD PROPERTY KNOWN AS 25 GREENLAND STREET, LIVERPOOL – TITLE NUMBER MS619620 3. LEASEHOLD PROPERTY KNOWN AS 45, 47, AND 51 PARLIAMENT STREET, LIVERPOOL – TITLE NUMBER MS209993**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

JOANNE CANNING



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9855739

Charge code: 0985 5739 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th July 2020 and created by THE BALTIC LIVING LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th July 2020 .

Given at Companies House, Cardiff on 10th July 2020

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 8 July 2020

- (1) THE BALTIC LIVING LTD (as Chargor)
- (2) MASLOW 2 LIMITED (as Lender)

Legal Charge

relating to the property known as 25 and 35-39 (odd) Greenland Street and 45, 47 and 51 Parliament Street Liverpool L1

We hereby certify this to be a true copy of the original subject to redaction under S859G Companies Act 2006.

*Eversheds Sutherland
(International) LLP*

EVERSHEDS SUTHERLAND (INTERNATIONAL) LLP

Contents

1. DEFINITIONS AND INTERPRETATION	1
2. COVENANT TO PAY	3
3. CHARGE	3
4. PERFECTION OF SECURITY	4
5. FURTHER ASSURANCE	4
6. RESTRICTIONS ON DEALING	4
7. REPRESENTATIONS AND WARRANTIES	5
8. COVENANTS BY THE CHARGOR	8
9. ENFORCEMENT	10
10. APPOINTMENT AND POWERS OF RECEIVER	10
11. LENDER'S LIABILITY	13
12. PROTECTION OF THIRD PARTIES	13
13. POWERS OF LEASING	13
14. POWER OF ATTORNEY	13
15. LENDER'S RIGHTS	13
16. COSTS	14
17. INDEMNITY	14
18. CONTINUING SECURITY	14
19. FINANCIAL COLLATERAL REGULATIONS	15
20. NOTICES	15
21. MISCELLANEOUS	16
22. LAW AND JURISDICTION	16
23. JOINT AND SEVERAL	17
Schedule - The Mortgaged Property	18

THIS LEGAL CHARGE is made as a Deed on

8 July

2020

BETWEEN:

- (1) **THE BALTIC LIVING LTD**, a limited liability company incorporated in England and Wales (with registered number 09855739) whose registered office is at 3 Rose Place, Off St Anne Street, Liverpool, Merseyside, England, L3 3BN as chargor (the "**Chargor**"); and
- (2) **MASLOW 2 LIMITED**, a limited liability company incorporated in England and Wales with registered number 10963508 whose registered address is at 11th Floor, 200 Aldersgate Street, London EC1A 4HD (the "**Lender**")

1. DEFINITIONS AND INTERPRETATION

1.1. In this Legal Charge the following terms shall have the following meanings:

"**Associated Benefits**" means, in respect of any asset:

- a) all monies including (where relevant) all rent, dividends, distributions, profits, compensation, damages, income, or interest paid or payable relating to that asset; and
- b) all Authorisations, rights, benefits, claims or property at any time relating to that asset.

"**Borrower**" means Legacie Holdings Limited, a limited liability company incorporated in England and Wales (with registered number 10564825) whose registered office is at 3 Rose Place, Liverpool, Merseyside, United Kingdom, L3 3BN.

"**Financial Collateral Regulations**" means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003 No. 3226).

"**Loan Agreement**" means the loan agreement dated 6 February 2020 and made between (1) the Borrower (as borrower) and (2) the Lender;

"**LPA**" means the Law of Property Act 1925;

"**Mortgaged Property**" means any estates or interests in the freehold, leasehold and other immoveable property of the Chargor which are expressed to be subject to any security created by this Legal Charge and more particularly described in the Schedule to this Legal Charge (The Mortgaged Property) and the proceeds of sale thereof and all buildings and trade and other fixtures on any such property belonging to or charged to the Chargor;

"**Real Property**" means:

- a) all estates or interests in any freehold or leasehold property;
- b) any buildings, fixtures, fittings, fixed plant or machinery at any time situated on or forming part of that property;
- c) all easements, rights, agreements and other benefits in respect of that property; and
- d) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of that property;

"**Receiver**" means a receiver or receiver and manager or administrative receiver of the whole or any part of the assets secured pursuant to this Legal Charge; and

"Secured Obligations" means all present and future sums, liabilities and obligations payable or owing by the Obligors to the Lender (whether actual or contingent, jointly or severally in principal or surety or in any other capacity whatsoever and whether or not the Lender was an original party to the relevant transaction).

1.2. **Clause Headings**

Clause headings are for convenience of reference only and shall not affect the construction of this Legal Charge.

1.3. **Interpretation**

In this Legal Charge:

- 1.3.1. unless otherwise defined in this Legal Charge, words and expressions defined in the Loan Agreement shall have the same meaning when used in this Legal Charge;
- 1.3.2. references to Clauses and Schedules are to be construed as reference to the Clauses of and Schedules to this Legal Charge as amended or varied from time to time and references to sub-Clauses shall, unless otherwise specifically stated, be construed as references to the sub-Clauses of the Clause in which the reference appears;
- 1.3.3. references to this Legal Charge (or to any specified provisions of this Legal Charge) or any other document shall be construed as references to this Legal Charge, that provision or that document as in force for the time being and as amended, varied, novated, supplemented, extended, restated or replaced from time to time in accordance with its terms or as the case may be with the agreement of the relevant parties;
- 1.3.4. words importing the singular shall include the plural and vice versa;
- 1.3.5. references to a person shall be construed so as to include that person's assigns, transferees or successors in title and shall be construed as including references to an individual, firm or partnership, joint venture, company, corporation, unincorporated body of persons or any state or any agency thereof;
- 1.3.6. references to any statute or statutory provision include any statute or statutory provision which amends, extends, consolidates or replaces the same or which has been amended, extended, consolidated or replaced by the same and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute;
- 1.3.7. references to liability or liabilities are to be construed to include all liabilities and obligations whether actual, contingent, present or future and whether incurred solely or jointly or as principal or surety;
- 1.3.8. the words **other** and **otherwise** shall not be construed *ejusdem generis* with any foregoing words where a wider construction is possible; and
- 1.3.9. the words **including** and **in particular** shall be construed as being by way of illustration or emphasis only and shall not be construed as nor shall they take effect as limiting the generality of any foregoing words.

- 1.4. If the Lender considers that an amount paid by the Chargor in respect of the Secured Obligations is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Legal Charge.

- 1.5. For the purposes of Section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Loan Agreement and of any side letters between any parties in relation to the Loan Agreement are incorporated into this Legal Charge.

- 1.6. This Legal Charge is designated as a Finance Document.

2. COVENANT TO PAY

- 2.1. The Chargor covenants with the Lender that it will on demand pay and discharge the Secured Obligations when due to the Lender.

- 2.2. The Chargor shall pay interest (before as well as after any judgment) at the rate or rates applicable under the agreements or arrangements giving rise to the relevant liabilities. Interest shall be compounded in the event of it not being punctually paid in accordance with the usual practice of the Lender but without prejudice to the rights of the Lender to require payment of such interest.

- 2.3. If the Chargor fails to pay any amount payable under this Legal Charge on the due date (including for the avoidance of doubt without limitation any sum due to the Lender or any Receiver) it shall pay interest on the overdue amount from the due date to the date of actual payment calculated by reference to an interest period which shall be selected by the Lender at its discretion, at the Default Rate.

3. CHARGE

3.1. Charges

The Chargor charges to the Lender with full title guarantee and as a continuing security for the monies and liabilities referred to in Clause 2.1:

- 3.1.1. by way of first legal mortgage all its Mortgaged Property;
- 3.1.2. by way of fixed charge all its Real Property (other than the Mortgaged Property) and all licences now or hereafter held by the Chargor to enter upon or use land and the benefit of all other agreements relating to land to which the Chargor is or may become a party or otherwise entitled and all buildings and trade and other fixtures from time to time on any such property belonging to or charged to the Chargor and the proceeds of sale thereof;
- 3.1.3. by way of fixed charge all plant, machinery, vehicles, computers and office and other equipment owned by the Chargor both present and future at the Real Property;
- 3.1.4. all Associated Benefits relating to any of the Mortgaged Property; and
- 3.1.5. by way of fixed charge the goodwill of any business carried on by the Chargor at the Real Property.

3.2. Extent of Security

- 3.2.1. The security created by this Legal Charge shall be in addition to and shall not prejudice, determine or affect any other security which the Lender may from time to time hold for or in respect of all or any part of the monies, obligations and liabilities hereby secured.
- 3.2.2. No prior security held by the Lender over the property charged by this Legal Charge or any part of it shall merge in the security created by this Legal Charge which will remain in force and effect as a continuing security until discharged by the Lender.

4. PERFECTION OF SECURITY

4.1. Land Registry

The Chargor and the Lender applies to the Land Registry for a restriction in the following terms to be entered on the register of the Chargor's title to the Mortgaged Property:

4.1.1. *"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [DATE OF CHARGE] 2020 in favour of Maslow 2 Limited referred to in the charges register, or its conveyancer.";* and

4.1.2. a note to the effect that the Lender is under an obligation to make further advances.

4.2. Further Advances

The Lender covenants with the Chargor that it shall perform its obligations to make advances under the Finance Documents (including any obligation to make available further advances).

5. FURTHER ASSURANCE

The Chargor shall promptly on demand and at his own cost execute and do all such assurances, acts and things including without limitation, execute all transfers, conveyances, assignments and assurances of the Mortgaged Property and give all notices, orders and directions which the Lender may require for creating, perfecting, protecting and (if necessary) maintaining this Legal Charge or the priority of this Legal Charge, or for facilitating the realisation of the Mortgaged Property or the exercise of any of the rights vested in the Lender or any receiver.

6. RESTRICTIONS ON DEALING

6.1. The Chargor shall not without the prior written consent of the Lender:

6.1.1. create or permit to subsist or arise any Encumbrance (other than a Permitted Encumbrance); or

6.1.2. agree to sell, sell, discount, factor, transfer, lease, lend or otherwise dispose of whether by means of one or a number of transactions related or not and whether at one time or over a period of time the whole or any part of its undertaking or assets (provided that the Sale Proceeds shall be applied in accordance with the Loan Agreement); or

6.1.3. market the Mortgaged Property for any sum which is less than the current market value of the Mortgaged Property, as determined by the higher of the Initial Valuation or the most recent Valuation; or

6.1.4. accept or agree to accept the surrender or forfeiture of any lease, licence, tenancy or holiday letting of the Mortgaged Property, part with possession or occupation of confer any lease, sublease, underlease, licence, tenancy, subtenancy, holiday letting or right to occupy or possess or confer any interest in the Mortgaged Property, grant any permission to assign, underlet or part with possession or occupation of the Mortgaged Property, agree or permit any amendment to or waiver of the terms of any lease, licence, tenancy or holiday letting of the Mortgaged Property, exercise any power to determine any lease, licence, tenancy or holiday letting of the Mortgaged Property or allow to subsist any lease, sublease underlease, licence, tenancy, subtenancy, holiday letting, occupation or possession of the Mortgaged Property or allow for any lease, sublease, underlease, licence tenancy subtenancy, holiday

letting, occupation or possession of the Mortgaged Property to be created or granted.

7. REPRESENTATIONS AND WARRANTIES

7.1. Representations and Warranties

Notwithstanding any obligations in the Loan Agreement, the Chargor represents and warrants to the Lender on the date of this Legal Charge, on each Drawdown Date and on each Interest Payment Date that:

7.1.1. *Title to Property*

the Chargor is the legal and beneficial owner of and has good and marketable title to the Mortgaged Property and that the Mortgaged Property is free from any Encumbrance of any kind (other than the Encumbrance created by this Legal Charge);

7.1.2. *Due incorporation*

where the Chargor is not a natural person, it is a duly incorporated limited liability company validly existing under the laws of its Original Jurisdiction and has power to own all of its property and other assets and carry on its business as it is being conducted;

7.1.3. *Corporate power*

where the Chargor is not a natural person, it has the appropriate power and capacity, and has taken all necessary action to authorise its entry into, performance and delivery of, the Legal Charge and the transactions contemplated by it;

7.1.4. *Binding obligations*

this Legal Charge constitutes the valid, legal, binding and enforceable obligations of the Chargor;

7.1.5. *No conflict with other obligations*

the execution and delivery of, the performance of its obligations under, and the compliance by the Chargor with the provisions of this Legal Charge will not:

- (a) contravene any existing applicable law, statute, rule or regulation or any judgment, decree or permit to which the Chargor is subject; or
- (b) conflict with, or result in any breach of any of the terms of, or constitute a default under, any agreement or other instrument to which the Chargor is a party or is subject to or by which it or any of its property is bound; or
- (c) contravene or conflict with any provision of the Chargor's constitutional documents;

7.1.6. *Consents obtained*

every authorisation, or registration with, or declaration to, governmental or public bodies or authorities or courts required by the Chargor to authorise, or required by the Chargor in connection with, the execution, delivery, validity, enforceability or admissibility in evidence of this Legal Charge or the

performance by the Chargor of its obligations hereunder or thereunder has been obtained or made and is in full force and effect and there has been no default in the observance of any of the conditions or restrictions imposed in or in connection with any of the same;

7.1.7. ***No proceedings pending or threatened***

- (a) no corporate action, legal proceeding or other step has been started or threatened in connection with any form of insolvency, bankruptcy, voluntary arrangement or any other compromise in relation to the Chargor; and
- (b) no litigation, arbitration or administrative proceedings before any court, arbitral body or agency which, if adversely determined, would reasonably be expected to have a Material Adverse Effect, have been started or threatened against it;

7.1.8. ***No filings required***

save for any requirement to file at Companies House and the Land Registry of England and Wales, it is not necessary to ensure the legality, validity, enforceability or admissibility in evidence of this Legal Charge that it or any other instrument be notarised, filed, recorded, registered or enrolled in any court, public office or elsewhere in any relevant jurisdiction or that any stamp, registration or similar tax or charge be paid in any relevant jurisdiction on or in relation to this Legal Charge and this Legal Charge is in proper form for its enforcement in the courts of any relevant jurisdiction;

7.1.9. ***No immunity***

neither the Chargor nor any of its assets are entitled to immunity on the grounds of sovereignty or otherwise from any legal action or proceeding (which shall include, without limitation, suit, attachment prior to judgment, execution or other enforcement);

7.1.10. ***Environmental law***

the Chargor has at all times complied in all material respects with all applicable Environmental Law;

7.1.11. ***No other business***

the Chargor has not traded or carried on any other business since the date of its incorporation except for the ownership and management of the Mortgaged Property;

7.1.12. ***Centre of main interests and establishments***

for the purposes of Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast) (the "Regulation"), the Chargor's "centre of main interest" (as that term is used in Article 3(1) of the Regulation) is situated in England and Wales and it has no "establishment" (as that term is used in Article 2(10) of the Regulation) in any other jurisdiction;

7.1.13. ***No misleading information***

all written information supplied to the Lender in contemplation of this Legal Charge, the Loan Agreement and the Loan was true as at its date and did not omit anything material and, so far as the Chargor is aware, no change has occurred since the date of the information already supplied to the Lender by or on behalf of the Chargor which renders it untrue or misleading and, so far as the Chargor is aware, all projections and statements of belief and opinion given by the Chargor to the Lender were made in good faith after due and careful enquiry;

7.1.14. **Valuation**

all information supplied by the Chargor or on its behalf to the Valuer for the purposes of the Initial Valuation and any subsequent Valuation or to the relevant solicitors for the purposes of any report on title, was true and accurate as at its date or (if appropriate) as at the date (if any) at which it is stated to be given and the Chargor has not omitted to supply any information which if disclosed would adversely affect the Initial Valuation, any subsequent Valuation or report on title as the case may be and, so far as the Chargor is aware, no change has occurred since the date of the information already supplied to the Valuer or the solicitors preparing the report on title by or on behalf of the Chargor which renders it untrue or misleading;

7.1.15. **Taxes**

- (a) the Chargor is not a member of a value added tax group other than a group made up solely of Obligors; and
- (b) the Chargor is registered for VAT and it shall use all reasonable endeavours to obtain recoveries of VAT from HM Revenue & Customs; and

7.1.16. **No filing or stamp taxes**

- (a) under the laws of the Chargor's Relevant Jurisdiction it is not necessary that this Legal Charge be registered, filed, recorded, notarised or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar taxes or fees be paid on or in relation to this Legal Charge or the transactions contemplated by this Legal Charge except:
 - (i) registration of particulars of this Legal Charge at Companies House under the Companies Act 2006 and payment of associated fees; and
 - (ii) registration of this Legal Charge at HM Land Registry or the Land Charges Register in England and Wales and payment of associated fees,

which registrations, filings, taxes and fees will be made and paid promptly after the date of this Legal Charge; and

- (b) any disclosure required to be made by the Chargor to any relevant taxing authority in relation to stamp duty land tax payable on any transactions contemplated by or being financed by this Legal Charge has been made.

8. COVENANTS BY THE CHARGOR

8.1. Notwithstanding any obligations in the Loan Agreement, the Chargor covenants with the Lender at all times during the continuance of this Legal Charge:

8.1.1. to keep the buildings and all plant, machinery, fixtures and fittings upon the Real Property in good and substantial repair and condition and to permit representatives of the Lender free access at all reasonable times to view the state and condition of the Real Property;

8.1.2. to maintain (or procure to maintain) in relation to the Mortgaged Property with a reputable insurer which is acceptable to the Lender such insurances against such risks and at such levels (never being less than the value of the Secured Obligations), and the Lender as a composite co-insured party in an amount and form acceptable to the Lender as is reasonable and customary for a prudent person engaged in the same or similar business, which shall include (without limitation) insurance against:

- (a) loss or damage by fire, storm, tempest, flood, earthquake, lightning, explosion, impact, aircraft and other aerial devices and articles dropped from them, riot, civil commotion and malicious damage, bursting or overflowing of water tanks, apparatus or pipes and all other normally insurable risks of loss or damage for a property of the type of the Mortgaged Property;
- (b) loss and damage to the Mortgaged Property on a full reinstatement basis and against all professional fees, VAT, demolition and site clearance charges;
- (c) loss and damage to the Mortgaged Property resulting from terrorism, including any third party liability arising from such acts;
- (d) third party and public liability risks; and
- (e) such other risks as the Lender may from time to time require;

8.1.3. to ensure that each policy includes (without limitation) the following provisions:

- (a) a non-invalidity and non-vitiating clause;
- (b) a waiver of rights of subrogation of the insurer against the Chargor and the Lender;
- (c) a first loss payee clause in favour of the Lender in respect of insurance claim payments which would otherwise be payable to the Chargor; and
- (d) terms providing that it shall not be invalidated so far as the Lender is concerned for failure to pay any premium due without the insurer first giving to the Lender not less than fourteen (14) days' written notice,

on such terms as the Lender may require;

8.1.4. to promptly notify the Lender of:

- (a) the proposed terms of any future renewal of any insurance policy;
- (b) any material variation or termination, avoidance or cancellation of any insurance policy made or to its knowledge threatened or pending; and

- (c) any claim and any actual or threatened refusal of any claim under any insurance policy;
- 8.1.5. on demand by the Lender, to deposit all policies and other contracts of insurance relating to the Mortgaged Property or any part thereof with the Lender or produce the same to the Lender for inspection and notify the Lender of renewals made and material variations or cancellation of policies made or to the knowledge of the Chargor threatened or pending;
- 8.1.6. to comply with the terms of all insurance policies;
- 8.1.7. not to do or permit anything to be done which may make void or voidable any insurance policy;
- 8.1.8. to comply with all reasonable risk improvement requirements of its insurers;
- 8.1.9. to ensure that each premium for insurance is paid promptly and in any event prior to the commencement of the period of insurance for which that premium is payable;
- 8.1.10. to ensure that all other things necessary are done so as to keep each of the insurance policies in force;
- 8.1.11. to apply any insurance proceeds in making good the loss or damage to the Mortgaged Property or at the Lender's option in or towards the discharge of the liabilities secured by this Legal Charge and pending such application the Chargor will hold such proceeds in trust for the Lender;
- 8.1.12. to obtain, observe and renew all such authorisations, consents and licences which are required:
 - (a) in relation to the Mortgaged Property; and
 - (b) under any law or regulation of England and Wales to enable them to perform its obligations under this Legal Charge and to ensure the legality validity, enforceability or admissibility in evidence in England and Wales of this Legal Charge;
- 8.1.13. to comply in all material respects with all covenants and obligations contained in any lease, licence, tenancy or other right of occupation in relation to the Mortgaged Property, and upon written request from the Lender, take all steps the Lender requires to obtain vacant possession of the Mortgaged Property;
- 8.1.14. to promptly and diligently pay all sums due under any lease, licence, tenancy or other right of occupation in relation to the Mortgaged Property;
- 8.1.15. to promptly and diligently collect all sums due under any lease, licence, tenancy or other right of occupation in relation to the Mortgaged Property;
- 8.1.16. to promptly notify the Lender of any notice or order (or proposal for the same) in respect of the Mortgaged Property and promptly and at its own cost take all reasonable and necessary steps to comply with them or (if required by the Lender) make such representations or appeals and/or take such steps as the Lender may reasonably require; and
- 8.1.17. not to without the previous written consent of the Lender, apply or procure an application for any planning permission in relation to the Real Property or to demolish, pull down, remove or permit or suffer to be demolished, pulled down or removed any building, installation or structure for the time being upon the Real Property or any fixtures, or erect or make or suffer to be erected or made

on the Real Property any building installation or alteration or otherwise commit any waste upon or destroy or injure in any manner or by any means lessen or suffer to be lessened to any material extent the value of the Real Property.

- 8.2. If the Chargor fails to comply with any of the obligations under this Clause 8, then the Lender may enter upon the Real Property and repair the Real Property or effect or renew any insurance as is mentioned in this Clause either in its own name or in its name and that of the Chargor jointly or in the name of the Chargor with an endorsement of the Lender's interest or take such other steps as it considers appropriate to procure the performance of such obligation or otherwise remedy such failure and shall not thereby be deemed to be a mortgagee in possession and the moneys expended by the Lender shall be reimbursed by the Chargor on demand, and, until so reimbursed, shall carry interest at the Default Rate from the date of payment to the date of reimbursement.
- 8.3 The Chargor shall provide the Lender with all information required by the Lender to satisfy its "know your customer", anti-money laundering and anti-bribery requirements (including, for the avoidance of doubt, any information in relation to any proposed new shareholder of the Chargor or any information in relation to any third party junior creditor of the Chargor).

9. ENFORCEMENT

Section 103 of the LPA shall not apply to this Legal Charge and the statutory powers of sale and appointing a receiver under Sections 101 and 109 of the LPA (as varied and extended under this Legal Charge) shall arise on the execution of this Legal Charge and shall become immediately exercisable without the restrictions contained in the LPA as to the giving of notice or otherwise at any time after the Lender shall have demanded payment of any of the liabilities secured by this Legal Charge.

10. APPOINTMENT AND POWERS OF RECEIVER

- 10.1. At any time after this Legal Charge has become enforceable or, if requested by the Chargor, the Lender may, without further notice, appoint by writing any person or persons (whether an officer of the Lender or not) to be a receiver (the "Receiver") of all or any part of the assets secured pursuant to this Legal Charge and where more than one receiver is appointed they may be given power to act either jointly or severally.
- 10.2. The Lender may from time to time determine the remuneration of the receiver and may remove the receiver and appoint another in his place.
- 10.3. The Receiver shall (so far as the law permits) be the agent of the Chargor (who shall alone be personally liable for his acts, defaults, omissions and remuneration) and shall have and be entitled to exercise all powers conferred by the LPA in the same way as if the receiver had been duly appointed thereunder and in particular by way of addition to but without limiting any general powers referred to above (and without prejudice to any of the Lender's powers) the Receiver shall have power in the name of the Chargor or otherwise to do the following things, namely:
- 10.3.1. to enter into, take possession of, collect and get in the Mortgaged Property, to manage the same and to collect and get in all moneys or proceeds in any way arising from the Mortgaged Property or any deed, document, right or entitlement affecting the Mortgaged Property whether directly or indirectly;
 - 10.3.2. to sell, exchange, surrender, deal with, convert into money and realise the Mortgaged Property or any estate or interest therein and convey, assign or transfer the same subject to such exceptions, reservations and covenants as the Lender or any Receiver may consider necessary or expedient and for the purposes of realisation to convey, assign or transfer the same to any person with or without consideration or exchange such for shares or other property. Plant machinery and other fixtures may be severed and sold separately from the premises containing them;

- 10.3.3. to apportion any rent and/or the performance of any obligations;
- 10.3.4. to acquire, renew, extend, grant, vary or otherwise deal with such easements, rights, privileges and/or licences as the Lender or a Receiver considers expedient;
- 10.3.5. to grant (without restriction) any lease or tenancy for any term whether commencing at once or at any future date at any or no rent and with or without any premium and generally on such terms as the Lender or any Receiver may consider expedient;
- 10.3.6. to accept the surrender of any lease or tenancy whether or not for the purpose of enabling a new lease to be granted;
- 10.3.7. to give an effectual receipt for any premium payable on any grant or surrender of any lease;
- 10.3.8. to exercise, observe and perform for and on behalf of the Chargor, any or all of the powers, obligations or duties conferred or imposed on any owner or occupier of property (whether as landlord and/or tenant) at common law or by statute (including but not limited to the Landlord and Tenant Acts 1927 to 1988, the Rent Act 1977, the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Public Health Act 1936, the Control of Pollution Act 1974, the Water Act 1989 and the Environmental Protection Act 1990);
- 10.3.9. to initiate, oppose, negotiate, participate in, compromise or conclude any review or revision of any rent payable in respect of any lease or tenancy;
- 10.3.10. to exercise (whether on the Chargor's behalf or otherwise) any option or right of election available in law to the Chargor or the Lender or any Receiver to waive exemption so that the supplies shall be supplies chargeable or taxable for VAT purposes at the standard or other applicable rate of tax;
- 10.3.11. to sign, seal, execute, deliver, complete and perfect all notices and documents as are thought fit by the Lender or the Receiver for exercising, observing and performing any of the powers, obligations or duties conferred or imposed on the Chargor hereby or by any statute in respect of the Mortgaged Property;
- 10.3.12. to give receipts for any compensation moneys payable to or by a landlord or tenant;
- 10.3.13. to promote, incorporate, manage and wind up either alone or with others any company either for the purposes of taking a conveyance or transfer or assignment or lease of or other interest in the Mortgaged Property and/or of undertaking works thereon and/or of providing services to the occupiers thereof in any case where it is desirable or convenient to do so and/or in connection with or for the furtherance of all or any of the powers herein contained as the Lender or the Receiver may consider expedient;
- 10.3.14. to repair, construct or complete any building (whether or not the same is in accordance with any development planned or being carried on at the Real Property) and any roads, access ways and services and generally to develop the Mortgaged Property in such manner as the Lender or the Receiver may consider expedient;
- 10.3.15. to carry out any work involving furnishing or fitting out or the installation or provision of any plant, machinery, equipment or service;

EXECUTION VERSION

- 10.3.16. to utilise any moneys at any time or from time to time received for the purposes of financing any expenditure at any time or from time to time incurred in connection with or incidental to the exercise of any of the powers herein contained in advance of any other payments;
- 10.3.17. to continue, commence or undertake any business (whether or not previously carried on by the Chargor);
- 10.3.18. to borrow or raise or secure the payment of money which may be required for the exercise of any of the powers set out in this Clause 10 in such manner including the creation of new mortgages or charges (whether or not having priority to this Legal Charge) as may be considered expedient;
- 10.3.19. to obtain, renew, extend, amend or otherwise deal with such permissions, consents and/or licences for the benefit of or otherwise connected with or ancillary to the Mortgaged Property or the use or development of any business comprised therein as the Lender or the Receiver may consider necessary or desirable;
- 10.3.20. to agree any variation, modification or determination of any existing deeds or agreements and enter into, make or obtain any new agreements, deeds or bonds which may be necessary or desirable;
- 10.3.21. to employ staff, solicitors, architects, surveyors, quantity surveyors, estate agents, insurance brokers, contractors, builders, workmen, security staff, watchmen, building managers and others and purchase all proper stock materials and other items as the Lender or the Receiver may consider expedient;
- 10.3.22. to dedicate any part or parts of the Real Property as a highway where to do so is desirable in order that the Real Property may more conveniently be developed;
- 10.3.23. to make any change or arrangement as to boundaries with adjoining owners and neighbours so as to resolve any dispute or to facilitate development;
- 10.3.24. to effect and maintain insurance policies (whether against fire and other physical risks, loss of rent or third party or public liability or structural or latent defect or for other indemnity or otherwise) and to make, prove, negotiate, adjust or enforce any claim on any such policy whether effected by the Chargor or the Lender or the Receiver;
- 10.3.25. to take, defend, appeal or otherwise join in any proceedings (including any arbitration or determination of any issue or dispute by an independent expert) concerning or incidental to the Mortgaged Property or to any of the foregoing powers;
- 10.3.26. to make any arrangement or compromise or enter into any contracts which may be thought expedient in the interest of the Lender; and
- 10.3.27. to do all such other acts and things as the Lender or the Receiver may consider necessary or desirable for the management, development or realisation of all or any part or parts of the Mortgaged Property and/or acts and things incidental or ancillary to the foregoing powers and the exercise thereof,

provided nevertheless that the Receiver shall not be authorised to exercise any of the above powers if and in so far and so long as the Lender shall in writing exclude the same whether in or at the time of his appointment or subsequently.

- 10.4. Any monies received by the Receiver in the exercise of his powers under this Legal Charge and under general law shall be (so far as the law permits) applied by him firstly in the payment of the costs, charges and expenses of and incidental to his appointment and the exercise of all or any of his powers and in payment of his remuneration, secondly in or towards satisfaction of the monies and liabilities secured by this Legal Charge and any balance shall be paid to the person or persons lawfully entitled to it.

11. LENDER'S LIABILITY

- 11.1. In no circumstances shall the Lender be liable to account to the Chargor as a mortgagee in possession or otherwise for any monies not actually received by the Lender.
- 11.2. In no circumstances shall the Lender be liable to the Chargor or any other person for any costs, charges, losses, damages, liabilities or expenses arising from or connected with any realisation of the Mortgaged Property or from any act, default, omission or misconduct of the Lender, its officers, employees or agents in relation to the Mortgaged Property or in connection with this Legal Charge.

12. PROTECTION OF THIRD PARTIES

- 12.1. Any purchaser or any other person dealing with the Lender or any receiver shall not be concerned to enquire whether the liabilities secured by this Legal Charge have become payable or whether any power which it or he is purporting to exercise has become exercisable or whether any money is due under this Legal Charge or as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with the Lender or such receiver.
- 12.2. All the protections to purchasers contained in Sections 104 and 107 of the LPA shall apply to any person purchasing from or dealing with the Lender or any receiver.

13. POWERS OF LEASING

The statutory powers of sale, leasing and accepting surrenders exercisable by the Lender are hereby extended so as to authorise the Lender whether in the name of the Lender or in that of the Chargor to grant a lease or leases of the whole or any part or parts of the Real Property with such rights relating to other parts of it and containing such covenants on the part of the Chargor and generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Lender (in its absolute discretion) shall think fit.

14. POWER OF ATTORNEY

- 14.1. The Chargor irrevocably appoints the Lender and the receiver, jointly and also severally, the attorney and attorneys of the Chargor for the Chargor and in the name and on behalf of the Chargor and as the act and deed of the Chargor or otherwise to sign, seal and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which may be required or may be deemed proper for any of the purposes referred to in or otherwise in connection with this Legal Charge.
- 14.2. The Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed under this Clause properly does or purports to do in the exercise of all or any of the powers, authorities and discretions granted or referred to in this Legal Charge.

15. LENDER'S RIGHTS

- 15.1. At any time after this Legal Charge becomes enforceable, all powers of the receiver may be exercised by the Lender whether as attorney of the Chargor or otherwise.
- 15.2. The Chargor agrees that at any time after this Legal Charge becomes enforceable, where the Chargor is an individual, the Lender may as agent of the Chargor remove and sell any

chattels on the Real Property and the net proceeds of sale thereof shall be paid to the Chargor and the Lender shall not have the right to retain or set off such proceeds of sale against any indebtedness of the Chargor to the Lender.

- 15.3. The Lender shall, on receiving notice that the Chargor has encumbered or disposed of the Mortgaged Property or any part of it or any interest in it, be entitled to close any account or accounts of the Chargor and to open a new account or accounts with the Chargor and (without prejudice to any right of the Lender to combine accounts) no money paid into or carried to the credit of any such new account shall be appropriated towards or have the effect of discharging any part of the amount due to the Lender on any such closed account. If the Lender does not open a new account or accounts immediately on receipt of such notice it shall nevertheless be treated as if it had done so at the time when it received such notice and as from that time all payments made by the Chargor to the Lender shall be credited or be treated as having been credited to such new account or accounts and shall not operate to reduce the amount due from the Chargor to the Lender when it received such notice.
- 15.4. The Lender may at any time after this Legal Charge has become enforceable and without notice to the Chargor combine or consolidate all or any of the Chargor's then existing accounts with and liabilities to the Lender and set off or transfer any sum or sums standing to the credit of any one or more of such accounts in or towards satisfaction of any of the liabilities of the Chargor to the Lender on any other account or in any other respects. The Lender shall notify the Chargor that such a transfer has been made.

16. COSTS

The Chargor shall, within 3 Business Days of demand, pay to the Lender the amount of all costs and expenses (including legal fees) incurred by it or any Receiver in connection with the enforcement of or the preservation of any rights under this Legal Charge and any proceedings instituted by or against the Lender as a consequence of taking or holding the Legal Charge or enforcing the rights created by the Legal Charge.

17. INDEMNITY

The Lender and every receiver, attorney or other person appointed by the Lender under this Legal Charge and their respective employees shall be entitled to be indemnified on a full indemnity basis out of the Mortgaged Property in respect of all liabilities and expenses incurred by any of them in or directly or indirectly as a result of the exercise or purported exercise of any of the powers, authorities or discretions vested in them under this Legal Charge and against all actions, proceedings, losses, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Mortgaged Property and the Lender and any such receiver may retain and pay all sums in respect of the same out of the monies received under the powers conferred by this Legal Charge.

18. CONTINUING SECURITY

- 18.1. This Legal Charge shall be a continuing security to the Lender notwithstanding any settlement of account or other matter or thing whatsoever and shall be in addition to and shall not prejudice or affect or be prejudiced or affected by any security relating to the Mortgaged Property or to any other property or any other security which the Lender may now or at any time in the future hold in respect of the liabilities secured by this Legal Charge or any of them and shall continue in full force and effect as a continuing security until discharged.
- 18.2. Section 93 of the LPA shall not apply to this Legal Charge.
- 18.3. The obligations of the Chargor under this Legal Charge shall not be discharged, impaired or otherwise affected by an act, omission, matter or thing which, but for this Clause 18.3, would reduce, release or prejudice any of its obligations under this Legal Charge, or the Encumbrance created by this Legal Charge (without limitation and whether or not known to the Chargor or the Lender) including:

- (a) any time, waiver or consent granted to, or composition with, the Chargor, any Obligor or other person;
- (b) the release of the Chargor, any Obligor, any other surety or any other person under the terms of any composition or arrangement with any creditor of the Chargor, any Obligor or such other surety or other person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Encumbrance over assets of, the Chargor, any Obligor, any other surety or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Encumbrance;
- (d) any incapacity, limitation, death, disability or lack of power, authority or legal personality of or dissolution or change in the members, name or status or constitution of the Chargor, any Obligor, the Lender or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or Encumbrance including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or Encumbrance;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Encumbrance; or
- (g) any bankruptcy, insolvency, administration, bankruptcy or similar proceedings.

19. FINANCIAL COLLATERAL REGULATIONS

To the extent that the Mortgaged Property constitutes Financial Collateral (as defined in the Financial Collateral Regulations) and this Legal Charge and the obligations of the Chargor hereunder constitute a Security Financial Collateral Arrangement (as defined in the Financial Collateral Regulations) the Lender shall have the right at any time after the security constituted by this Legal Charge has become enforceable to appropriate all or any of that security in or towards the payment and/or discharge of the obligations of the Chargor under this Legal Charge in such order as the Lender in its absolute discretion may from time to time determine. The value of any Mortgaged Property appropriated in accordance with this Clause shall be the price of that Mortgaged Property at the time the right of appropriation is exercised as listed on any recognised market index or determined by such other method as the Lender may select (including independent valuation). The Chargor agrees that the methods of valuation provided for in this Clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

20. NOTICES

- 20.1. Any demand or notice under this Legal Charge shall be in writing signed by an officer or agent of the Lender and (without prejudice to any other effective means of serving it) may be served on the Chargor personally or by post and either by delivering it to the Chargor or any officer of the Chargor at any place or by despatching it addressed to the Chargor at the address stated in this Legal Charge (or such other address as may from time to time be notified by the Chargor to the Lender for this purpose) or the Chargor's current registered office or the place of business or address last known to the Chargor. Any such demand or notice delivered personally shall be deemed to have been received immediately upon delivery.
- 20.2. Any such demand or notice sent by post shall be deemed to have been received at the opening of business in the intended place of receipt on the day following the day on which it was posted, even if returned undelivered.

21. MISCELLANEOUS

- 21.1. The Lender shall have the right to assign the whole or any part of the benefit of this Legal Charge and the Lender shall be entitled to disclose any information relating to the Mortgaged Property and the Chargor to any actual or prospective assignee, successor or participant.
- 21.2. The Chargor may not assign or transfer the benefit or burden of this Legal Charge or all or any of its rights under this Legal Charge.
- 21.3. No delay or omission on the part of the Lender in exercising any right or remedy under this Legal Charge shall impair that right or remedy or operate as or be taken to be a waiver of it, nor shall any single, partial or defective exercise of any such right or remedy preclude any other or further exercise under this Legal Charge of that or any other right or remedy.
- 21.4. The Lender's rights under this Legal Charge are cumulative and not exclusive of any rights provided by law and may be exercised from time to time and as often as the Lender deems expedient.
- 21.5. Any waiver by the Lender of any terms of this Legal Charge or any consent or approval given by the Lender under it shall only be effective if given in writing and then only for the purpose and upon the terms and conditions, if any, on which it is given.
- 21.6. If at any time any one or more of the provisions of this Legal Charge is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity and enforceability of the remaining provisions of this Legal Charge nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected or impaired as a result.
- 21.7. Any certificate or determination of the Lender as to the amount of the liabilities secured by this Legal Charge shall, in the absence of manifest error, be conclusive and binding on the Chargor.
- 21.8. This Legal Charge may be executed in any number of counterparts (manually or by facsimile) and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all which when taken together shall constitute one and the same instrument.
- 21.9. Other than a Receiver and unless expressly provided to the contrary in this Legal Charge, a person who is not a party to this Legal Charge may not enforce any of its terms under The Contracts (Rights of Third Parties) Act 1999.

22. LAW AND JURISDICTION

- 22.1. This Legal Charge and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.
- 22.2. The Chargor irrevocably agrees for the exclusive benefit of the Lender that the courts of England shall have jurisdiction to hear and determine any suit, action or proceeding and to settle any dispute which may arise out of or in connection with this Legal Charge and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- 22.3. Nothing contained in this Clause 22 shall limit the right of the Lender to take proceedings against the Chargor in any other court of competent jurisdiction, nor shall the taking of any such proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction whether concurrently or not (unless precluded by applicable law).
- 22.4. The Chargor irrevocably waives any objection which it may have now or in the future to the courts of England being nominated for the purpose of this Clause 22 on the ground of venue or otherwise and agrees not to claim that any such court is not a convenient or appropriate forum.

23. JOINT AND SEVERAL

- 23.1. If the expression "**Chargor**" comprises more than one party, the obligations and liabilities of such parties shall be joint and several.
- 23.2. The Lender may take action against, or release or compromise the liability of, any one Chargor, or grant time or other indulgence, without affecting the liability of the other Chargor.

IN WITNESS WHEREOF this Legal Charge has been executed as a deed and is delivered by the parties hereto and takes effect on the date stated at the beginning of this Legal Charge.

Schedule - The Mortgaged Property

Address	Title Number	Tenure
Freehold property known as 35-39 (odd) Greenland Street Liverpool	MS334041	Freehold
Leasehold property known as 25 Greenland Street Liverpool	MS619620	Leasehold
Leasehold property known as 45, 47, and 51 Parliament Street Liverpool	MS209993	Leasehold

EXECUTION

THE CHARGOR

EXECUTED as a deed by THE BALTIC LIVING LTD
acting by a director in the presence of:

Witness only:

Name of Witness.....ALEX MCCANN.....

Address of Witness.....NO 1 ST. PAUL'S SQ.....

Occupation.....SOLUTION LIVING.....

Redacted - Eversheds
Sutherland
(International) LLP

Director

Redacted - Eversheds
Sutherland (International)
LLP

Director / Secretary / Witness

[Signature]

THE LENDER

EXECUTED as a deed by
MASLOW 2 LIMITED
by a director in the presence of:

Witness signature.....

Name of Witness.....

Address of Witness.....

Occupation.....

Director

EXECUTION

THE CHARGOR

EXECUTED as a deed by THE BALTIC LIVING LTD
acting by a director in the presence of:

Witness only:

Name of Witness.....

Address of Witness.....

Occupation

.....
Director

.....
Director / Secretary / Witness

THE LENDER

EXECUTED as a deed by
MASLOW 2 LIMITED
by a director in the presence of:

Witness signature.....

Name of Witness.....

Address of Witness.....

Occupation.....

Redacted - Eversheds
Sutherland
(International) LLP

Director ✓

Redacted - Eversheds
Sutherland (International) LLP

PAOLO ZAMPIBA

42, WIDONB, UK

LAWYER