



Registration of a Charge

Company name: **HARDACRE INVESTMENTS (BERROW) LTD**

Company number: **10762150**



X7EGGEGA

Received for Electronic Filing: **14/09/2018**

Details of Charge

Date of creation: **07/09/2018**

Charge code: **1076 2150 0003**

Persons entitled: **SECURED BRIDGING FINANCE LIMITED**

Brief description: **THE FREEHOLD PROPERTY BEING LAND ON THE EAST SIDE OF 11 MANOR WAY, BERROW, BURNHAM -ON-SEA TA8 2RG REGISTERED AT THE LAND REGISTRY WITH ABSOLUTE FREEHOLD TITLE UNDER TITLE NUMBER ST186557; AND THE FREEHOLD PROPERTY BEING 11 MANOR WAY, BERROW, BURNHAM-ON-SEA TA8 2RG REGISTERED AT THE LAND REGISTRY WITH ABSOLUTE FREEHOLD TITLE UNDER TITLE NUMBER ST111298**

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: **ANDREW DUNCAN CARMICHAEL, SOLICITOR, RATIO LAW LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10762150

Charge code: 1076 2150 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th September 2018 and created by HARDACRE INVESTMENTS (BERROW) LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th September 2018 .

Given at Companies House, Cardiff on 18th September 2018

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

7th September

2018

HARDACRE INVESTMENTS (BERROW) LIMITED

and

SECURED BRIDGING FINANCE LIMITED

LEGAL CHARGE

RATIO

THIS DEED is dated

7th September

2018

PARTIES

- (1) **Hardacre Investments (Berrow) Limited** of The Stables, Elm View, Middle Street, Brent Knoll, Somerset TA9 4BT (**'the Borrower'**); and
- (2) **Secured Bridging Finance Limited** being a company incorporated within England and Wales under Company Registration Number 06600234 and whose registered office is at Challoner House, 19 Clerkenwell Close, London, EC1R 0RR (**'the Lender'**).

BACKGROUND

- (A) The Lender has agreed pursuant to the Facility Agreement to provide the Borrower with certain facilities on a secured basis.
- (B) The Borrower is the owner of the Property.
- (C) This Legal Charge provides security which the Borrower has agreed to give the Lender for facilities.

AGREED TERMS

1. Definitions and Interpretation

1.1 Definitions

In this Legal Charge the definitions and rules of interpretation in this clause apply.

Business Day: a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London and deposits are dealt with on the London Interbank Market.

Certificate of Title: any report on or certificate of title relating to the Property supplied to the Lender by the Borrower (or in its behalf).

Charged Property: all the assets, property and undertaking for the time being subject to any Encumbrance created by this Legal Charge. References to the Charged Property shall include references to any part of it.

Costs: all costs, charges, expenses, taxes and liabilities of any kind, including (without limitation) costs and damages in connection with litigation, professional fees, disbursements and any VAT charged on Costs which the Lender or any Receiver or Delegate may charge or incur in relation to this Legal Charge, the Charged Property or breach of any provision of this Legal Charge by the Borrower.

Delegate: any person appointed by the Lender or any Receiver pursuant to clause 12 and any person appointed as attorney of the Lender, Receiver or Delegate.

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: all of the air, water and land including the air within buildings and other natural or man-made structures above or below ground, ground and surface water and surface and sub-surface soil.

Environmental Law: all applicable statutes, treaties, regulations, directives or similar measures relating to the pollution or protection of the Environment that affect the Charged Property.

Environmental Licence: any authorisation required by an Environmental Law in respect of any of the Charged Property.

Facility Agreement: the facility agreement of even date between the Borrower and the Lender for the provision of loan facilities secured by this Legal Charge.

Insurance Policies: the insurance policies referred to in clause 3.2.1.

LPA: the Law of Property Act 1925.

Permitted Encumbrance: has the meaning given in the Facility Agreement.

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

Receiver: a receiver and/or manager of any or all of the Charged Property.

Secured Liabilities: all present and future monies, obligations and liabilities owned by the Borrower to the Lender, whether actual or contingent and whether owned jointly or severally, as principal or surety and/or in any other capacity, under or in connection with the Facility Agreement or this Legal Charge (including without limitation, those arising under clause 19.3.2) together with all interest (including, without limitation, default interest) accruing respect of such monies or liabilities.

Security Period: the period starting on the date of this Legal Charge 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 Lender by the Borrower (or on its behalf).

VAT: value added tax.

1.2 Interpretation

Unless the context otherwise requires, in this Legal Charge:

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

- 1.2.6 A reference to a **person** shall be construed as including a reference to an individual, firm, corporation, unincorporated body of persons or any state or any agency of a person.
- 1.2.7 A reference to an **amendment** includes a supplement, variation, novation or re-enactment (and **amended** shall be construed accordingly).
- 1.2.8 A reference to **assets** includes present and future properties, undertaking, revenues, rights and benefits or every description.
- 1.2.9 A reference to an **authorisation** includes an authorisation, consent, licence, approval, resolution, exemption, filing, registration and notarisation.
- 1.2.10 A reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.
- 1.2.11 A reference to **determines** or **determined** means, unless the contrary is indicated, a determination at the discretion of the person making it.
- 1.2.12 Clause, Schedule and paragraph heading shall not affect the interpretation of this Legal Charge.

1.3 Clawback

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

1.4 Nature of security over real property

A reference in this Legal Charge to a charge or mortgage of or over the Property includes:

- 1.4.1 All buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery which are situated on or form part of the Property at any time;
- 1.4.2 the proceeds of sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;
- 1.4.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Property and any monies paid or payable in respect of those covenants; and
- 1.4.4 all rights under any licence, agreement for sale or agreement for lease in respect of the Property.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

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

1.6 Third party rights

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

1.7 Perpetuity Period

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).

2. Covenant to pay

2.1 Payment of Secured Liabilities

The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due.

2.2 Payment of interest

The Borrower shall pay interest on any amounts due under clause 2.1 from day to day until full discharge (whether before or after judgement, liquidation, winding-up or administration of the Borrower) at the rate and in the manner specified in the Facility Agreement. In the case of any Costs, such interest shall accrue and be payable as from the date of which the relevant Costs arose, without the need for any demand for payment being made.

3. Grant of security

3.1 Legal Charge and fixed Charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantees charges to the Lender:

3.1.1 by way of legal charge, the Property; and

3.1.2 by way of fixed charge:

3.1.2.1 all its rights in any policies of insurance relating to the Property, including the proceeds of any claims under such policies, the Rent and the benefit of any guarantee or security in respect of the Rent, to the extent not effectively assigned under clause 3.2;

3.1.2.2 the benefit of all contracts, guarantees, appointments, warranties and other documents to which the Borrower is a party or in its favour or of which it has the benefit relating to any letting, development, sale, purchase or the operation or otherwise relating to the Charged Property, including, in each case, but without limitation, the right to demand and receive all monies whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them; and

- 3.1.2.3 all authorisation (statutory or otherwise) held or required in connection with the Borrower's business carried on at the Property or the used of any Charged Property, and all rights in connection with them.

3.2 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Lender;

3.2.1 all its rights in any policies of insurance relating to the Property, including the proceeds of any claims under such policies; and

3.2.2 the Rent and the benefit of any guarantee of security in respect of the Rent;

provided that nothing in this clause 3.2 shall constitute the Lender as mortgagee in possession.

4. Perfection of security

4.1 Registration of Legal Charge at the Land Registry

The Borrower consents to an application being made by the Lender to the Chief 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 7th September 2018 in favour of Secured Bridging Finance Limited referred to in the charges register."

4.2 Further advances

The Lender covenants with the Borrower that it shall perform its obligations to make advances under the Facility Agreement (including any obligation to make available further advances).

4.3 First registration

If the title to the Property is not registered at the Land Registry, the Borrower shall ensure that no person (other than itself) shall be registered under the Land Registration Act 2002 as the proprietor of the all or any part of the Property, without the prior written consent of the Lender.

4.4 Cautions against first registrations and notices

Whether or not title to the Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Borrower's title to the Property, the Borrower shall immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under the Legal Charge, the Borrower shall immediately, and at its own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

5. Liability of the Borrower

5.1 Liability not discharged

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

- 5.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is or becomes wholly or partially illegal, void or unenforceable on any ground; or
- 5.1.2 the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- 5.1.3 any other act or omission, which but for this clause 5.1 might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

5.2 Immediate recourse

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

6. Representations and warranties

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

7. Covenants

The Borrower shall have the powers set out in Schedule 3.

8. Powers of the Lender

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

9. Enforcement

9.1 When security becomes enforceable

The security constituted by this Legal Charge shall be immediately enforceable and the power of sale and other powers given by section 101 of the LPA (as varied or extended by this Legal Charge) shall be immediately exercisable at any time after the occurrence of an Event of Default (whether or not such Event of Default is still continuing).

9.2 When statutory powers arise

Section 103 of the LPA shall not apply to this Legal Charge and the statutory power of sale and other powers given by section 101 of the LPA (as varied or extended by this Legal Charge) shall, as between the Lender and a purchaser, arise on the execution of the Legal Charge and be exercisable at any time after such execution, but the Lender shall not exercise such power of sale until the security constituted by this Legal Charge has become enforceable under clause 9.1.

9.3 Enforcement of security

After the security constituted by this Legal Charge has become enforceable, the Lender may in its absolute discretion enforce all or any part of that security at the times, 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 Charged Property.

9.4 Redemption of prior Encumbrances

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

9.4.1 redeem such or any other prior Encumbrance, or procure its transfer to itself; and

9.4.2 settle any account of that encumbrancer.

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

9.5 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders are extended so as to authorise the Lender and any Receiver, at any time after the security constituted by this Legal Charge has become enforceable, whether in its own name or in that of the Borrower, to make any lease or agreement for lease, accept surrenders of leases or grant any option of the whole or any part of the Property with whatever rights relating to other parts of it, containing whatever covenants on the part of the Borrower, 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 or Receiver thinks fit without the need to comply with any of the restrictions imposed by section 99 and 100 of the LPA.

9.6 Privileges

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

9.7 No liability as mortgagee in possession

Neither the Lender, any Receiver nor any Delegate shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property, nor shall any 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 Charged Property for which a mortgagee in possession might be liable as such.

9.8 Relinquishing possession

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

10. Receivers

10.1 Appointment and removal of a Receiver

At any time after the security constituted by this Legal Charge has become enforceable or at the request of the Borrower, the lender may, without further notice:

10.1.1 appoint under seal or in writing, by a duly authorised officer of the Lender, any one or more person or persons to be a receiver of a receiver and manager, of all or any part of the Charged Property; and

10.1.2 (subject to section 45 of Insolvency Act 1986) from time to time, under seal or in writing, by a duly authorised officer of the Lender, remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.

Where more than one person is appointed Receiver, they shall have power to act separately (unless the appointment by the Lender specifies to the contrary).

10.2 Power of appointment additional to statutory powers

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

10.3 Power of appointment exercisable despite prior appointments

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

10.4 Remuneration of a Receiver

The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA and the remuneration of the Receiver shall be a debt secured by this Legal Charge which shall be due and payable immediately upon its being paid by the Lender.

11. Powers and capacity of a Receiver

11.1 Powers of a Receiver

Any Receiver appointed by the Lender under this Legal Charge shall, in addition to the powers conferred on him by the LPA and the Insolvency Act 1986, have the powers set out in Schedule 5.

11.2 Scope of Receivers powers

Any exercise of any of the powers of a Receiver by the Receiver may be on behalf of the Borrower, the directors of the Borrower or himself.

11.3 Receiver is agent of the Borrower

Any Receiver appointed by the Lender under this Legal Charge shall be the agent of the Borrower and the Borrower shall be solely responsible for his acts and remuneration, as well as for any defaults committed by him. The agency of each Receiver shall continue until the Borrower goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Lender.

12. Delegation

Each of the Lender and any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Legal Charge (including the power of attorney granted under clause 16.1). Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Lender or any Receiver shall think fit. Neither the Lender nor any Receiver shall be in any way liable or responsible to the Borrower for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

13. Application of proceeds

13.1 Order of application

All monies received by the Lender, a Receiver or Delegate (other than sums received pursuant to any Insurance Policy) pursuant to this Legal Charge after the security constituted by this Legal Charge has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA) be applied:

- 13.1.1 first in paying all costs, charges and expenses of, and incidental to, the appointment of any Receiver and the exercise of his powers and all outgoings paid by him;
- 13.1.2 second in paying the remuneration of any Receiver (as agreed between the Receiver and the Lender);
- 13.1.3 third in or towards discharge of the Secured Liabilities in such order and manner as the Lender determines; and
- 13.1.4 finally in paying any surplus to the Borrower or any other person entitled to it.

13.2 Appropriation

Neither the Lender, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) or the LPA, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

13.3 Suspense account

All monies received by the Lender or a Receiver or a Delegate under this Legal Charge (other than sums received pursuant to any Insurance Policy which are not going to be applied in or towards discharge of the Secured Liabilities) may, at the discretion of the Lender, Receiver or Delegate, be credited to any suspense or securities realised account and shall bear interest at such rate, if any, as may be agreed in writing between the Lender, Receiver or Delegate and the Borrower, and may be held in such account for so long as the Lender, Receiver or Delegate thinks fit.

14. Protection of third parties

14.1 Protection of third parties

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

- 14.1.1 to enquire whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged, or whether the power the Lender or a Receiver or Delegate is purporting to exercise has become exercisable; or
- 14.1.2 to see to the application of any money paid to the Lender or any Receiver or Delegate.

14.2 Conclusive discharge to purchasers

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

15. Costs and indemnity

15.1 Costs

The Borrower shall pay to, or reimburse, the Lender and any Receiver on demand, on a full indemnity basis, all Costs incurred by the Lender, any Receiver or Delegate in relation to:

- 15.1.1 this Legal Charge or the Charged Property;
- 15.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, Receiver's or Delegate's rights under this Legal Charge; and
- 15.1.3 suing for, or recovering, any of the Secured Liabilities,

(including, without limitation, the Costs of any proceedings in relation to this Legal Charge or the Secured Liabilities), together with interest from day to day until full discharge (whether before or after judgment, liquidation, winding-up or administration of the Borrower) at the rate and in the manner specified in the Facility Agreement in the case of any Costs, such interest shall accrue and be payable as from the date on which the relevant Costs arose, without the need for any demand for payment being made.

15.2 Indemnity

The Lender, any Receiver and any Delegate, and their respective employees and agents, shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:

- 15.2.1 the exercise, or purported exercise, of any of the powers, authorities or discretions vested in them under this Legal Charge; or
- 15.2.2 any matter or thing done, or omitted to be done, in relation to the Charged Property under those powers; or
- 15.2.3 any default or delay by the Borrower in performing any of its obligations under this Legal Charge.

16. Power of attorney

16.1 Appointment of attorneys

By way of security, the Borrower irrevocably appoints the Lender, every Receiver and every Delegate separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and thinks which:

- 16.1.1 the Borrower is required to execute and do under this Legal Charge; and
- 16.1.2 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 Lender, any Receiver or any Delegate.

16.2 Ratification of acts of attorneys

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise of purported exercise of all or any of the powers, authorities and discretions referred to in clause 16.1.

17. Release

Subject to clause 19.3, on the expiry of the Security Period (but not otherwise), the Lender shall, at that request and cost of the Borrower, take whatever action is necessary to release the Charged Property from the security constituted by this Legal Charge.

18. Assignment and transfer

18.1 Assignment by the Lender

At any time, without the consent of the Borrower, the Lender may assign or transfer the whole or any part of the Lender's rights and/or obligations under this Legal Charge to any person. The Lender may disclose such information about the Borrower, the Charged Property and this Legal Charge as the Lender considers appropriate to any actual or proposed assignee or transferee.

19. Further provisions

19.1 Independent security

This Legal Charge shall be in addition to, and independent of, every other security or guarantee which the Lender may hold for any of the Secured Liabilities at any time. No prior security held by the Lender over the whole or any part of the Charged Property shall merge in the security created by this Legal Charge.

19.2 Continuing security

This Legal Charge shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharges this Legal Charge in writing.

19.3 Discharge conditional

Any release, discharge or settlement between the Borrower and the Lender shall be deemed conditional on no payment or security received by the Lender in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

19.3.1 the Lender or its nominee may retain this Legal Charge and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Charged Property, for such period as the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and

19.3.2 the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if such release, discharge or settlement had not occurred.

19.4 Certificates

A certificate or determination by the Lender as to any amount for the time being due to it from the Borrower shall (in the absence of any manifest error) be conclusive evidence of the amount due.

19.5 Rights cumulative

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

19.6 Waivers

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

19.7 Further exercise of rights

No act or course of conduct or negotiation by or on behalf of the Lender shall, in any way, preclude the Lender from exercising any right or power under this Legal Charge or constitute a suspension or variation of any such right or power.

19.8 Delay

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

19.9 Single or partial exercise

No single or partial exercise of any right under this Legal Charge shall prevent any other or further exercise of that or any other right.

19.10 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA shall not apply to this Legal Charge.

19.11 Partial invalidity

The invalidity, unenforceability, or illegality of any provision (or part of a provision) of this Legal Charge under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provision. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties.

19.12 Counterparts

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

20. Notices

20.1 Service

Any notice or other communication given under this Legal Charge shall be in writing and shall be served by delivering it personally or sending it by pre-paid first-class post for the attention of the relevant party as set out in Schedule 6 or such other address or fax number as may be notified in writing from time to time by the relevant party to the other party.

20.2 Receipt

Receipt of any notice, given under clause 20.1 above, shall be deemed to be:

20.2.1 if delivered personally, at the time of delivery; or

20.2.2 in the case of pre-paid first-class letter, 48 hours from the date of posting.

20.3 Proof of service

In proving service of a notice, it shall be sufficient to prove that the envelope containing such notice was addressed to the address of the relevant party as set out in Schedule 6 (or as otherwise notified by that party under clause 20.1 above) and delivered either;

20.3.1 to that address; or

20.3.2 into the custody of the postal authorities as a pre-paid recorded delivery letter.

20.4 E-mail invalid

Notice given under this Legal Charge shall not be validly served if sent by e-mail.

21. Governing law and jurisdiction

21.1 Governing law

This Legal Charge 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.

21.2 Jurisdiction

The parties to this Legal Charge irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with the Legal Charge or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower 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.

21.3 Other service

The Borrower irrevocably consents to any process in any proceedings under clause 21.2 being served on it in accordance with the provisions of the Legal Charge relating to service of notices. Nothing contained in this Legal Charge shall affect the right to service process in any other manner permitted by law.

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 freehold property being land on the east side of 11 Manor Way, Berrow, Burnham-On-Sea TA8 2RG registered at the land registry with absolute freehold title under title number ST186557; and

the freehold property being 11 Manor Way, Berrow, Burnham-On-Sea TA8 2RG registered at the land registry with absolute freehold title under title number ST111298.

Schedule 2
Representations and Warranties

1. OWNERSHIP OF CHARGED PROPERTY

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

2. NO ENCUMBRANCES

The Charged Property is free from Encumbrances other than Permitted Encumbrances and the Encumbrances created by this Legal Charge.

3. ADVERSE CLAIMS

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

4. ADVERSE COVENANTS

There are no covenants, agreement, reservations, conditions, interests, rights or other matters whatever, which materially adversely affect the Charged Property.

5. NO BREACH OF LAWS

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

6. NO INTERFERENCE IN ENJOYMENT

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

7. NO OVERRIDING INTERESTS

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

8. AVOIDANCE OF SECURITY

No Encumbrance expressed to be created by this Legal Charge is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise.

9. NO PROHIBITIONS OR BREACHES

There is no prohibition on the Borrower assigning its rights in any of the Charge Property referred to in clause 3.2 and the entry into of this Legal Mortgage by the Borrower does not and will not constitute a breach of any policy, agreement, document or instrument binding on the Borrower or its assets.

10. ENVIRONMENTAL COMPLIANCE

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

11. INFORMATION FOR VALUATIONS AND CERTIFICATES OF TITLE

- 11.1 All written information supplied by the Borrower or on its behalf for the purpose of each Valuation and Certificate of Title 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.
- 11.2 The information referred to in paragraph 11.1 of this Schedule 2 was, as at its date or as at the date (if any) on which it was stated to be given, complete and the Borrower did not omit to supply any information which, if disclosed, would adversely affect the Valuation or Certificate of Title.
- 11.3 In the case of the first Valuation and Certificate of Title only, nothing has occurred since the date the information referred to in paragraph 11.1 of this Schedule 2 was supplied and the date of this Legal Charge which would adversely affect such Valuation or Certificate of Title.

Schedule 3

Covenants

Part 1: General Covenants

1. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

The Borrower shall not at any time, except with the prior written consent of the Lender;

- (a) create, purport to create or permit to subsist any Encumbrance on, or in relation to, the Charged Property other than this Legal Charge; or
- (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property; or
- (c) create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party.

2. PRESERVATION OF CHARGED PROEPRTY

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

3. ENFORCEMENT OF RIGHTS

The Borrower shall use its best endeavours to:

- (a) procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Borrower and forming part of the Charged Property of the covenants and other obligations imposed on such counterparty; and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Property which the Lender may require from time to time.

4. COMPLIANCE WITH LAWS

The Borrower shall comply with all laws and regulations for the time being in force relating to or affecting any Charged Property and shall obtain and promptly renew from time to time and comply with the terms of all authorisations which may be necessary to enable it to preserve, maintain or renew any Charged Property.

5. NOTICE OF BREACHES

The Borrower shall, promptly on becoming aware of any of the same, give the Lender notice in writing of any breach of;

- (a) any representation or warranty set out in Schedule 2; and

- (b) any covenant set out in this Schedule 3.

6. TITLE DOCUMENTS

The Borrower shall, on the execution of this Legal Charge, deposit with the Lender and the Lender shall, for the duration of this Legal Charge, be entitled to hold:

- (a) all deeds and documents of title relating to the Charged Property which are in the possession or control of the Borrower (if these are not within the possession and/or control of the Borrower, the Borrower undertakes to obtain possession of all such deeds and documents of title); and
- (b) all Insurance Policies.

7. NOTICES TO BE GIVEN BY THE BORROWER

The Borrower shall following the execution of this Legal Charge give notice to the relevant insurers of the assignment pursuant to clause 3.2.1 of the Borrowers rights and interest in and under the Insurance Policies and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Lender.

8. FURTHER ASSURANCE

The Borrower, at its own cost, shall prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as the Lender may reasonably require) in favour of the Lender as the Lender, in its absolute discretion, requires from time to time over all or any part of the Charged Property and give all notices, orders and directions which the Lender may require, in its absolute discretion, for perfecting, protecting or facilitating the realisation of its security over the Charged Property.

9. BORROWER'S WAIVER OF SET-OFF

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

Part 2: Property Covenants

1. REPAIR AND MAINTENANCE

The Borrower shall keep all premises, and fixtures and fittings on the Property in good and substantial 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 Borrower shall not, without the prior written consent of the Lender;

- (a) pull down or remove the whole or any part of the building forming part of the Property not permit the same to occur; or
- (b) make or permit to be made any 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 Borrower shall promptly give notice to the Lender if the premises or fixtures or fittings forming part of the Property are destroyed or damaged.

3. DEVELOPMENT RESTRICTIONS

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

- (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 suffer to be carried out on the Property any development as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008 or change or permit or suffer to be changed the use of the Property.

4. INSURANCE

- 4.1 The Borrower shall insure keep insured the Charged Property against:

- (a) loss or damage by fire or terrorist acts;
- (b) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Borrower; and
- (c) any other risk, perils and contingencies as the Lender may reasonably require.

Any such insurance must be with an insurance company or underwriters and on such terms as are reasonably acceptable to the Lender and must be for not less than the replacement value of the Charged Property (meaning in the case of any premises the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyor's, engineers' and other professional fees and charges for demolition and reinstatement) and loss of rents payable by the tenants or other occupiers of the Property for a period of at least three years.

- 4.2 The Borrower shall, if requested by the Lender, produce to the Lender the policy, certificate or cover note relating to any such insurance required by paragraph 4.1 of this Part 2 of Schedule 3.
- 4.3 The Borrower shall, if requested by the Lender, procure that a note of the Lender's interest is endorsed upon each Insurance Policy maintained by it or any person on its behalf in accordance with paragraph 4.1 of this Part 2 of Schedule 3 and that the terms of each such Insurance Policy require the insurer not to invalidate the policy as against the Lender by reasons of the act of default of any other joint or named insured and not be cancel it without given at least 30 days prior written notice to the Lender.

5. INSURANCE PREMIUMS

The Borrower;

- (a) shall promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep such policy in full force and effect; and
- (b) shall (if the Lender so requires) produce to the Lender the receipts for all premiums and other payments necessary for effecting and keeping up the Insurance Policies.

6. NO INVALIDATION OF INSURANCE

The Borrower shall not do or omit to do or permit to be done or omitted any thing that may invalidate or otherwise prejudice the Insurance Policies.

7. INSURANCE POLICIES' PROCEEDS

All monies payable under any of the Insurance Policies at any time (whether or not the security constituted by this Legal Charge has become enforceable) shall;

- (a) immediately be paid to the Lender;
- (b) if they are not paid directly to the Lender by the insurers, be held, pending such payment by the Borrower upon trust for the Lender; and
- (c) at the option of the Lender, be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or in or towards discharge or reduction of the Secured Liabilities **OR** be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or, after the security constituted by this Legal Charge has become enforceable and if the Lender so directs, in or towards discharge or reduction of the Secured Liabilities.

8. LEASES AND LICENCES AFFECTING THE PROPERTY

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

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

10. PROPRIETARY RIGHTS

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

11. COMPLIANCE WITH AND ENFORCEMENT OF COVENANTS

The Borrower shall:

- (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 Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed; and
- (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.

12. NOTICES OR CLAIMS RELATING TO THE PROPERTY

12.1 The Borrower shall;

- (a) give full particulars to the Lender of any notice, order, direction, designation, resolution, application, requirement or proposal 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; and
- (b) (if the Lender so requires) immediately, and at the cost of the Borrower,, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, such objections or representations in respect of any such Notice as the Lender may desire.

12.2 The Borrower shall give full particulars to the Lender of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property.

13. PAYMENT OF OUTGOINGS

The Borrower shall pay (or procure payment of the same) when all charges, rates, taxes duties, assessments and other outgoings relating to or imposed upon the Property or on it occupier.

14. ENVIRONMENT

The Borrower shall in relation to the Property;

- (a) properly discharge all duties of care and responsibility placed upon it by Environmental Law and comply with the terms of any Environmental Licences;
- (b) observe and perform all the requirements of Environmental Law; and
- (c) apply for and obtain all Environmental Licences.

15. CONDUCT OF BUSINESS ON PROPERTY

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

16. INSPECTION

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

17. VAT OPTION TO TAX

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

- (a) exercise any VAT option to tax in relation to the Property; or
- (b) revoke any VAT option to tax exercised prior to an disclosed to the Lender in writing prior to the date of this Legal Charge.

Part 3: Rent Covenants

1. COLLECTION OF AND DEALINGS WITH RENT

- 1.1 The Borrower shall not deal with the Rent except by getting it in and realising it in the ordinary and usual course of its business and shall, immediately on receipt, pay all rent into such other account as the Lender may direct from time to time. The Borrower shall pending such payment in, hold all Rent upon trust for the Lender.
- 1.2 The Borrower agrees with the Lender that any monies received by the Lender under paragraph 1.1 of this Part 3 of Schedule 3 shall not constitute the Lender as mortgagee in possession of the Property.

2. NOTICE OF ASSIGNMENT OF RENT

The Borrower shall, promptly following the occurrence of an Event of Default, give notice to the relevant tenant, guarantor or surety of the assignment pursuant to clause 3.2.2 of the Borrower's rights and interest to the Rent and each guarantee or security in respect of the Rent.

Schedule 4

Powers of Lender

1. POWER TO REMEDY

- 1.1 The Lender shall be entitled (but shall not be obliged) to remedy a breach at any time by the Borrower of any of its obligations contained in this Legal Charge. The Borrower irrevocably authorises the Lender and its agents to do all such things as are necessary or desirable for that purpose. Any monies expended by the Lender in remedying a breach by the Borrower of any of its obligations contained in this Legal Charge shall be reimbursed by the Borrower to the Lender on a full indemnity bases and shall carry interest in accordance with clause 15.1.
- 1.2 In remedying any breach in accordance with paragraph 1.1 of this Schedule 4, the Lender, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Lender may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

2. EXERCISE OF RIGHTS

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

3. POWER TO DISPOSE OF CHATTELS

At any time after the security constituted by this Legal Charge shall have become enforceable, the Lender or any Receiver:

- (a) may dispose of any chattels or produce found on any Property as agent for the Borrower; and
- (b) without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce, shall be indemnified by the Borrower against any liability arising from such disposal.

4. LENDER HAS RECEIVER'S POWERS

To the extent permitted by law, any right, power or discretion conferred by this Legal Charge on a Receiver may, after the security constituted by this Legal Charge has become enforceable, be exercised by the Lender in relation to any of the Charged Property whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

5. CONVERSION OF CURRENCY

For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Lender may convert any monies received or realised by the Lender under this Legal Charge (including the proceeds of any previous conversion under this paragraph 4) from their existing currencies of denomination in to such other currencies of denomination as the Lender may think fit. Any such conversion shall be effected at the then prevailing spot selling rate of exchange for such other currency against the existing currency. Each reference in this paragraph 5 to a currency extends to funds of that currency and, for the avoidance of doubt; funds of one currency may be converted into different funds of the same currency.

6. NEW ACCOUNTS

- 6.1 If the Lender receives notice of any subsequent Encumbrance or other interest affecting all or part of the Charged Property, the Lender may open a new account or accounts for the Borrower in the Lender's books and (without prejudice to the Lender's right to combine accounts) no money paid to the credit of the Borrower in any such new account will be appropriated towards or have the effect of discharging any part of the Secured Liabilities.
- 6.2 If the Lender does not open a new account or accounts immediately on receipt of notice or deemed notice referred to in paragraph 6.1 of this Schedule 4, then, unless the Lender gives express written notice to the contrary the Borrower, as from the time of receipt or deemed receipt of the relevant notice by the Lender all payments made by the Borrower to the Lender shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities.

6. INDULGENCE

The Lender may in 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 such person or persons are jointly liable with the Borrower) 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 Borrower for the Secured Liabilities.

Schedule 5

Powers of a Receiver

1. POWER TO REPAIR AND DEVELOP THE PROPERTY

A 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.

2. POWER TO GRANT OR ACCEPT SURRENDERS OF LEASES

A 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.

3. POWER TO EMPLOY PERSONNEL AND ADVISERS

A Receiver may, for the purposes of this Schedule 5, provide services and employ, or engage, such managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on such salaries, for such periods and on such other terms as he thinks fit. A Receiver may discharge any such persons or any such person appointed by the Borrower.

4. POWER TO MAKE A REVOKE VAT OPTIONS TO TAX

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

5. POWER TO CHARGE FOR REMUNERATION

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

6. POWER TO REALISE CHARGED PROPERTY

A Receiver may collect and get in the Charged 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 Charged Property with like rights.

7. POWER TO MANAGE OR RECONSTRUCT THE BORROWER'S BUSINESS

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

8. POWER TO DISPOSE OF CHARGED PROPERTY

A Receiver may grant options and licences over all or any part of the Charged Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the Charged Property in respect of which he 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. A Receiver may promote, or concur in promoting, a company to purchase the Charged Property to be disposed of by him.

9. POWER TO SEVER FIXTURES AND FITTINGS

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

10. POWER TO GIVE VALID RECEIPTS

A 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 Charged Property.

11. POWER TO MAKE SETTLEMENTS

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person as he thinks fit.

12. POWER TO BRING PROCEEDINGS

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

13. POWER TO INSURE

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 15.2, 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 Borrower under this Legal Charge.

14. POWERS UNDER LPA

A Receiver may exercise all powers provided for in the LPA 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 1986.

15. POWER TO BORROW

A Receiver may, for any purposes authorised by this Schedule 5, raise money by borrowing from the Lender (or from any other person) on the security of all or any of the Charged Property in respect of which he is appointed on such terms as he thinks fit (including, if the Lender consents, terms under which such security ranks in priority to this Legal Charge).

16. POWER TO REDEEM PRIOR ENCUMBRANCES

A Receiver may redeem any prior Encumbrance and settle and pass the accounts to which the Encumbrance relates. Any accounts so settled and passed shall be conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

17. POWER OF ABSOLUTE OWNER

A Receiver may do all such acts and things as a absolute owner could do in the ownership and management of the Charged Property or any part of it.

18. INCIDENTAL POWERS

A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 5, or which he lawfully may or can do as agent for the Borrower.

Schedule 6

Notice details

The Borrower:

Hardacre Investments (Berrow) Limited

For the Attention of: Hardacre Investments (Berrow)
Limited at the address on the front of this charge

The Lender:

Secured Bridging Finance Limited

For the Attention of: Alan Lister at the address on the
front of this charge

Director

[Handwritten signature]

LATHAN MORIN

C/O FERNANDEZ

ST. GEORGE PLACE

CHRISTIAN, GL 503A

Director

Director/Company Secretary