



Registration of a Charge

Company name: **BILVA ASSETS LTD**

Company number: **09362449**



X4F5DNQG

Received for Electronic Filing: **03/09/2015**

Details of Charge

Date of creation: **28/08/2015**

Charge code: **0936 2449 0002**

Persons entitled: **MINT BRIDGING LIMITED**

Brief description: **2 NELSON STREET, DENTON, MANCHESTER, M34 3EU (LAND REGISTRY
TITLE NUMBER GM817555)**

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 PALMER**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9362449

Charge code: 0936 2449 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th August 2015 and created by BILVA ASSETS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd September 2015 .

Given at Companies House, Cardiff on 4th September 2015

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

28 / 8 / 15

2015

BILVA ASSETS LIMITED

(1)

- and -

MINT BRIDGING LIMITED

(2)

LEGAL MORTGAGE

By

Corporate Mortgagor

of

**2 NELSON STREET, DENTON, MANCHESTER, M34
3EU**

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

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

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

Facility Letter: the facility letter dated 3 August 2015 between the Borrower and the Lender for the provision of the loan facilities secured by this mortgage;

Funder: the provider of funds to the Lender from time to time in relation to the loan facilities to the Borrower;

Insurance Policy: each contract or policy of insurance effected or maintained from time to time in respect of the Property;

Insurance Proceeds: the proceeds of any claim under any Insurance Policy received by the Borrower;

LPA 1925: the Law of Property Act 1925;

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

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

Rent: all amounts payable to or for the benefit of the Borrower by way of rent, licence fee, service charge, dilapidations, ground rent and rentcharge in respect of any part of the Property and other monies payable to or for the benefit of the Borrower in respect of occupation or usage of any part of the Property, including (without limitation) for display of advertisements on licence or otherwise;

Rent Account: any account into which Rent is to be paid as designated by the Lender from time to time, and as such account may be renumbered or redesignated from time to time;

Secured Liabilities: all present and future monies, obligations and liabilities due or owed by the Borrower to the Lender, whether actual or contingent and whether due or owed jointly or severally as principal or surety and/or in any other capacity, under or in connection with the Facility Letter and/or this mortgage or otherwise and on any account whatsoever (including, without limitation, those arising under clause 21.3(b) together with all interest whether at the Reduced Rate (as defined in the Facility Letter) or at the Standard Rate (as defined in the Facility Letter) accruing in respect of such monies obligations or liabilities, all costs, charges and expenses owed to or properly incurred, directly or indirectly, by or on behalf of the Lender in relation to this or any other security from the Borrower held by or on behalf of the Lender or in relation to the enforcement of any such security, and any loss or damage suffered or incurred by the Lender as a result of disclaimer by a liquidator of the obligations of the Borrower under the Facility Letter;

Security Period: the period starting on the date of this mortgage and ending on the date on which the Lender is satisfied that 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 the Borrower's behalf); and

VAT: value added tax.

1.2 Interpretation

In this mortgage:

- (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 re-enactment or extension;
- (b) unless the context otherwise requires, the expressions the **Borrower** and the **Lender** include (if any) their respective successors in title and assigns whether immediate or derivative and where appropriate the survivors or survivor of them and where either party comprises two or more persons include any one or more of those persons;
- (c) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- (d) unless the context otherwise requires, words in the singular include the plural and in the plural include the singular;
- (e) a reference to a clause or Schedule is to a clause of, or Schedule to, this mortgage and references to paragraphs are to paragraphs of the relevant Schedule, unless the context otherwise requires;
- (f) a reference to **continuing** in relation to an Enforcement Event means an Enforcement Event which has not been waived in writing by the Lender;
- (g) a reference to **this mortgage** (or any provision of it) or any other document shall be construed as a reference to this legal mortgage, that provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties;
- (h) a reference to a **person** shall include a reference to an individual, firm, company, partnership, corporation, unincorporated body of persons, or any state or any agency of any person;
- (i) a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly);
- (j) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (k) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- (l) 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;
- (m) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the discretion of the person making it;

- (n) clause, Schedule and paragraph headings shall not affect the interpretation of this mortgage;
- (o) if there is an inconsistency between a defined term in this mortgage and in the Facility Letter, the provisions of this mortgage shall prevail;
- (p) where the expression **Borrower** consists of two or more persons, all the covenants on the part of the Borrower in this mortgage shall be read and construed as joint and several covenants and obligations and each such person shall be jointly and severally liable under this mortgage; and
- (q) every provision contained in this mortgage shall be severable and distinct from every other such provision and if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining such provisions shall not in any way be affected thereby.

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 mortgage.

1.4 **Nature of security over real property**

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

- (a) 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;
- (b) the proceeds of sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Property and any monies paid or payable in respect of those covenants;
- (d) all rights under any lease, licence, agreement for sale or agreement for lease in respect of the Property; and
- (e) the Insurance Proceeds.

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 Letter and of any side letters between any parties in relation to the Facility Letter are incorporated into this mortgage.

1.6 **Third party rights**

A third party (being any person other than the Borrower, the Funder, 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 mortgage.

1.7 Perpetuity period

If the rule against perpetuities applies to any trust created by this mortgage, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

1.8 Schedules

The Schedules form part of this mortgage and shall have effect as if set out in full in the body of this deed. Any reference to this mortgage includes the Schedules.

2 Covenant to pay

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

3 Interest

If the Borrower fails to make any payment due under this mortgage on the due date for payment, or if a Default (as defined in the Facility Letter) occurs, interest on the Loan shall accrue at the Standard Rate (as defined and as provided in the Facility Letter) and the Reduced Rate (as defined and as provided in the Facility Letter) of interest shall cease to apply. The Lender shall take account as provided in the Facility Letter of any interest which has been paid by the Borrower at the Reduced Rate when applying the Standard Rate.

4 Grant of security

4.1 Legal mortgage and fixed charges

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

- (a) by way of first legal mortgage, the Property; and
- (b) by way of first fixed charge:
 - (i) all of the Borrower's rights in each Insurance Policy, including the Insurance Proceeds, the Rent and the benefit of any guarantee or security in respect of the Rent, the benefit of each Assigned Agreement and the benefit of any guarantee or security for the performance of an Assigned Agreement to the extent not effectively assigned under clause 4.2;
 - (ii) the benefit of all other contracts, guarantees, appointments and warranties relating to the Charged Property and other documents to which the Borrower is a party or which are in the Borrower's favour or of which the Borrower has the benefit relating to any letting, development, sale, purchase, use or the operation of the Charged Property or otherwise relating to the Charged Property (including, in each case, but without limitation, the right to demand and receive all monies whatever payable to or for the Borrower's 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 whatever accruing to or for the Borrower's benefit arising from any of them);

- (iii) all authorisations or licences (statutory or otherwise) held or required in connection with the Borrower's business carried on at the Property or the use of any Charged Property, and all rights in connection with them; and
- (iv) all monies from time to time standing to the credit of the Rent Account.

4.2 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Lender, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- (a) all of the Borrower's rights in each Insurance Policy, including the Insurance Proceeds;
- (b) the Rent and the benefit of any guarantee or security in respect of the Rent; and
- (c) the benefit of each Assigned Agreement and the benefit of any guarantee or security for the performance of an Assigned Agreement

provided that nothing in this clause 4.2 shall constitute the Lender as mortgagee in possession.

5 Perfection of security

5.1 Registration of legal mortgage at the Land Registry

The Borrower consents to:

- (a) an application being made by the Lender to the Land Registry for the following restriction in Form P to be entered on its registered title to the Property:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Mint Bridging Limited (company registration number 7567483) referred to in the charges register"

and

- (b) an application being made by the Funder to the Land Registry for the following restriction in Form P to be entered on its registered 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 subcharge dated [] in favour [*name, registered number and if overseas Funder its place of incorporation*] referred to in the charges register"

and the Borrower agrees that a letter from the Lender's solicitors to the Land Registry which identifies the Funder shall be sufficient and satisfactory evidence of the identity of the Funder and of the Funder's interest in the Property and of the interest of the Funder to prove the Funder's entitlement to have that restriction registered.

5.2 Further advances

- (a) The Lender covenants with the Borrower that it shall perform its obligations to make advances under the Facility Letter (including any obligation to make available further advances).
- (b) The Borrower consents to an application being made to the Land Registry for the following to be entered on its registered title to the Property:

a notice that the [Lender] [proprietor of the charge dated [] in favour of Mint Bridging Limited] referred to above is under an obligation to make further advances.

5.3 First registration

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

5.4 Cautions against first registration 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 this mortgage, the Borrower shall immediately, and at the Borrower's own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

6 Liability of the Borrower and Immediate Recourse

6.1 Liability not discharged

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

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is or becomes wholly or partially illegal, void or unenforceable on any ground;
- (b) 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
- (c) any other act or omission, which but for this clause 6.1 might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

6.2 Immediate recourse

The Borrower waives any right the Borrower 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 mortgage against the Borrower.

7 Representations and warranties

7.1 Times for making representations and warranties

The Borrower makes the representations and warranties set out in this clause 7 to the Lender on the date of this mortgage and all of these representations and warranties are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

7.2 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.

7.3 No Encumbrances

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

7.4 No 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.

7.5 No adverse covenants

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

7.6 No breach of laws

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

7.7 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.

7.8 No overriding interests

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

7.9 No prohibitions or breaches

There is no prohibition on the Borrower assigning the Borrower's rights in any of the Charged Property referred to in clause 4.2 and the entry into this mortgage by the Borrower does not and will not constitute a breach of any policy, agreement, document, instrument or obligation binding on the Borrower or the Borrower's assets.

7.10 Environmental compliance

In relation to the Property the Borrower has, at all times, complied in all material respects with all applicable Environmental Law and Environmental Licences.

7.11 Information for Valuations and Certificates of Title

- (a) All written information supplied by the Borrower or on the Borrower's 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.
- (b) The information referred to in clause 7.11(a) 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.
- (c) In the case of the first Valuation and first Certificate of Title only, nothing has occurred from the date the information referred to in clause 7.11(a) was supplied to the date of this mortgage which would adversely affect such Valuation or Certificate of Title.

7.12 Avoidance of security

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

7.13 Enforceable security

This mortgage constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower and is and will continue to be effective security over all and every part of the Charged Property in accordance with its terms.

8 Covenants

The Borrower covenants with the Lender in the terms set out in Schedule 3 (Covenants)..

9 Powers of the Lender

9.1 Power to remedy

- (a) The Lender shall be entitled (but shall not be obliged) to remedy at any time a breach by the Borrower of any of the Borrower's obligations contained in this mortgage and the Borrower irrevocably authorises the Lender and its agents to do all such things as are necessary or desirable for that purpose.
- (b) Any monies expended by the Lender in remedying a breach by the Borrower of the Borrower's obligations contained in this mortgage, shall be reimbursed by the Borrower to the Lender on a full indemnity basis and shall carry interest in accordance with clause 16.1 .
- (c) In remedying any breach in accordance with this clause 9.1 , 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.

9.2 **Exercise of rights**

The rights of the Lender under clause 9.1 are without prejudice to any other rights of the Lender under this mortgage. The exercise of any rights of the Lender under this mortgage shall not make the Lender liable to account as a mortgagee in possession.

9.3 **Lender has Receiver's powers**

To the extent permitted by law, any right, power or discretion conferred by this mortgage on a Receiver may, after the security constituted by this mortgage 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.

9.4 **Conversion of currency**

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by it under this mortgage (including the proceeds of any previous conversion under this clause 9.4) from their existing currencies of denomination into such other currencies of denomination as the Lender may think fit.
- (b) Any such conversion shall be effected at the then prevailing spot selling rate of exchange for such other currency against the existing currency, of either the Lender's bankers or such other bank as selected by the Lender from time to time.
- (c) Each reference in this clause 9.4 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.

9.5 **New accounts**

- (a) If the Lender receives, or is deemed to have received, notice of any subsequent Encumbrance or other interest, affecting all or part of the Charged Property, the Lender may open a new account for the Borrower in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- (b) If the Lender does not open a new account immediately on receipt of the notice, or on deemed notice, referred to in clause 9.5(a) , then, unless the Lender gives express written notice to the contrary to the Borrower, 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, as from the time of receipt or deemed receipt of the relevant notice by the Lender.

9.6 **Lender's set-off rights**

If the Lender has more than one account for the Borrower in its books, the Lender may at any time after:

- (a) the security constituted by this mortgage has become enforceable; or
- (b) the Lender has received, or is deemed to have received, notice of any subsequent Encumbrance or other interest affecting all or any part of the Charged Property,

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account which may be in debit (but the Lender shall notify the Borrower of the transfer once made).

9.7 Indulgence

The Lender may, at its discretion, grant time or other indulgence or make any other arrangement, variation or release with any person not being a party to this mortgage (whether or not such person is 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 mortgage or to the liability of the Borrower for the Secured Liabilities.

10 When security becomes enforceable

10.1 Security becomes enforceable on occurrence of an Enforcement Event

The security constituted by this mortgage shall be immediately enforceable if an Enforcement Event occurs.

10.2 Discretion

After the security constituted by this mortgage 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.

11 Enforcement of security

11.1 Enforcement powers

- (a) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this mortgage) shall, as between the Lender and a purchaser from the Lender, arise on and be exercisable at any time after the execution of this mortgage, but the Lender shall not exercise such power of sale or other powers until the security constituted by this mortgage has become enforceable under clause 10.1..
- (b) Section 103 of the LPA 1925 (restricting the power of sale) does not apply to the security constituted by this mortgage.

11.2 Extension of statutory powers of leasing

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

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

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

11.3 Prior encumbrances

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

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

and the settlement of any such account shall be, in the absence of any manifest error, conclusive and binding on the Borrower and 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 at the Standard Rate of interest as defined and specified in the Facility Letter and be secured as part of the Secured Liabilities.

11.4 Protection of third parties

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

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

11.5 Privileges

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

11.6 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.

11.7 Relinquishing possession

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

11.8 Conclusive discharge to purchasers

The receipt of the Lender or 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 Delegate may do so for such consideration, in such manner and on such terms as it or he thinks fit.

12 Receivers

12.1 Appointment

At any time after the security constituted by this mortgage has become enforceable or at the request of the Borrower, the Lender may, without further notice appoint by way of deed or otherwise in writing any one or more person or persons to be a receiver or a receiver and manager of all or any part of the Charged Property.

12.2 Removal

The Lender may, without further notice, (subject to section 45 of the Insolvency Act 1986), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in place of any Receiver whose appointment may for any reason have terminated.

12.3 Remuneration

The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925 and the remuneration of the Receiver shall be a debt secured by this mortgage, which shall be due and payable immediately on its being paid by the Lender.

12.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this mortgage shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

12.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this mortgage 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.

12.6 Agent of the Borrower

Any Receiver appointed by the Lender under this mortgage shall be the agent of the Borrower and the Borrower shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of 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.

12.7 Removal and sale of chattels

The Lender or any Receiver (as the case may be) is hereby irrevocably authorised as agent for the Borrower at any time after demand has been made under clause 2 to use, remove, store, sell or otherwise deal with any moveable plant, machinery, implements, utensils, furniture, equipment, stock in trade, work in progress and other chattels of the Borrower situated at the Property (but without thereby becoming mortgagee in possession of the Property) and neither the Lender nor any Receiver shall be liable for any loss or damage occasioned to the Borrower. The Borrower shall indemnify the Lender and/or any such Receiver against all expenses incurred in relation to such items. The Lender or the Receiver (as the case may be) shall pay to the Borrower the net proceeds of sale arising from any sale of such items pursuant to the provisions of this clause 12.7 after deduction of the monies owing to the Lender.

13 Powers of Receiver

13.1 Powers additional to statutory powers

- (a) Any Receiver appointed by the Lender under this mortgage shall, in addition to the powers conferred on him by statute, have the powers set out in clauses 13.2 to 13.20.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this mortgage individually and to the exclusion of any other Receiver.
- (c) Any exercise by a Receiver of any of the powers given by clause 13 may be on behalf of the Borrower, the directors of the Borrower or himself.

13.2 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.

13.3 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.

13.4 Employ personnel and advisers

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

13.5 VAT options to tax

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

13.6 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.

13.7 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.

13.8 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.

13.9 Dispose of Charged Property

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

13.10 Sever fixtures and fittings

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

13.11 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.

13.12 Make settlements

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

13.13 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.

13.14 Insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clauses 12.7 and 16.2, 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 mortgage.

13.15 Powers under LPA 1925

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

13.16 Borrow

A Receiver may, for any of the purposes authorised by this clause 13, raise money by borrowing from the Lender (or from any other person) either unsecured or 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 mortgage).

13.17 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, in the absence of any manifest error, conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

13.18 Delegation

A Receiver may delegate his powers in accordance with this mortgage.

13.19 Absolute beneficial owner

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

13.20 Incidental powers

A Receiver may do all such other acts and things:

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

14 Delegation

14.1 Delegation

The Lender or 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 mortgage (including the power of attorney granted under clause 18.1).

14.2 Terms

Any delegation may be made on such terms and conditions (including the power to sub-delegate) as the Lender or any Receiver may think fit.

14.3 Liability

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.

15 Application of proceeds

15.1 Order of application

All monies received by the Lender, a Receiver or a Delegate pursuant to this mortgage after the security constituted by this mortgage has become enforceable (other than any sums received pursuant to any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

- (a) in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Lender (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this mortgage and all remuneration due to any Receiver under or in connection with this mortgage;
- (b) in or towards payment of or provision for the Secured Liabilities in such order and manner as the Lender determines; and

- (c) in payment of the surplus (if any) to the Borrower or other person entitled to it.

15.2 Appropriation

Neither the Lender nor any Receiver or Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

15.3 Suspense account

All monies received by the Lender, a Receiver or a Delegate under this mortgage (other than sums received pursuant to any Insurance Policy which are not going to be applied in or towards discharge of the Secured Liabilities):

- (a) may, at the discretion of the Lender, Receiver or Delegate, be credited to any suspense or securities realised account;
- (b) shall bear interest at such rate, if any, as may be agreed in writing between the Lender and the Borrower; and
- (c) may be held in such account for so long as the Lender, Receiver or Delegate thinks fit.

16 Costs and indemnity

16.1 Costs

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

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

together with interest on those Costs, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant Cost arose until full discharge of that Cost (whether before or after judgment, liquidation, winding up or administration of the Borrower) at the Standard Rate (as defined in the Facility Letter) and in the manner specified in the Facility Letter.

16.2 Indemnity

The Borrower shall indemnify the Lender, each Receiver and each Delegate, and their respective employees and agents on a full indemnity basis in respect of all Costs incurred or suffered by any of them in connection with or as a result of:

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

- (c) any default or delay by the Borrower in performing any of the Borrower's obligations under this mortgage

and any representative of the Lender or any Funder or of the Receiver may enforce the terms of this clause 16 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

17 Further assurance

The Borrower shall, at the Borrower's own expense, take whatever action the Lender or any Receiver may reasonably require in respect of any of the following:

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

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

18 Power of attorney

18.1 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 things which:

- (a) the Borrower is required to execute and do under this mortgage; and/or
- (b) any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this mortgage or by law on the Lender, any Receiver or any Delegate.

18.2 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, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 18.1.

19 Release

Subject to clause 21.3, on the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release the Charged Property from the security constituted by this mortgage and/or reassign the Charged Property to the Borrower.

20 Assignment and transfer

20.1 Assignment by Lender

- (a) 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 mortgage to any person including without limitation the Funder.
- (b) The Lender may disclose to any actual or proposed assignee or transferee including without limitation the Funder such information about the Borrower, the Charged Property and this mortgage as the Lender considers appropriate.

20.2 Assignment by Borrower

The Borrower may not assign any of the Borrower's rights, or transfer any of the Borrower's obligations, under this mortgage or enter into any transaction which would result in any of those rights or obligations passing to another person.

21 Further Provisions and Continuing Security

21.1 Independent security

This mortgage 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 mortgage.

21.2 Continuing security

This mortgage 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 mortgage in writing.

21.3 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:

- (a) the Lender or its nominee may retain this mortgage 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
- (b) 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.

21.4 Certificates

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

21.5 Rights cumulative

The rights and powers of the Lender and of any Receiver or Delegate conferred by this mortgage are cumulative, may be exercised as often as the Lender Receiver or Delegate considers appropriate, and are in addition to their respective rights and powers under the general law.

21.6 Variations and waivers

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

21.7 Further exercise of rights

Subject and without prejudice to clause 21.6 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 mortgage or constitute a suspension or variation of any such right or power.

21.8 Delay

No delay or failure by the Lender to exercise any of its rights or powers under this mortgage shall operate as a waiver thereof.

21.9 Single or partial exercise

No single or partial exercise by the Lender of any of its rights or powers under this mortgage shall prevent any other or further exercise of that or any other right or power.

21.10 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this mortgage.

21.11 Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this mortgage under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted or otherwise modified, the provision shall apply with the minimum degree of modification that is consistent with the commercial intention of the parties so as to render it valid enforceable or legal.

21.12 Counterparts

This mortgage may be executed and delivered in any number of parts and/or counterparts, each of which when executed and delivered shall constitute an original and all such parts and counterparts shall together have the same effect as if each party had signed the same single document.

22 Notices

22.1 Service

- (a) Every notice or other communication required to be given to the Lender under or in connection with this mortgage shall be in writing and shall be delivered only by the Royal Mail's "signed for" or recorded delivery postal service to:

Address: Peel House
30 The Downs
Altrincham
Cheshire
WA14 2PX

For the attention of: The Directors,

or to such other address or marked for the attention of such other person(s) as from time to time may be notified in writing in accordance with clause 22.1(b) by the Lender to the Borrower for such purpose.

- (b) Every notice, demand or other communication required to be given to the Borrower under, or in connection with, this mortgage shall be in writing and shall be delivered personally or sent by pre-paid first class post letter or by email to:

Address: 1 Ulviet Gate, High Legh, Knutsford, Cheshire
WA16 6TT

E-mail: []; and

For the attention of: Shiromani Padmanabham Rauniar and
Bhavesh Wahder,

or to such other address or e-mail address, or marked for the attention of such other person, as from time to time may be notified in writing in accordance with clause 22.1(a) by the Borrower to the Lender for such purpose, or to the solicitors or other conveyancers who acted for the Borrower in connection with the creation of this Legal Mortgage and the transaction to which it relates (and the Borrower hereby irrevocably appoints those solicitors or conveyancers to receive such notices, demands or other communications and to accept service of process pursuant to clause 23.3 by personal delivery or prepaid first class post letter).

22.2 Receipt by Borrower

Any notice or other communication that the Lender gives shall be deemed to have been received:

- (a) if sent by e-mail, when sent;
- (b) if given by hand, at the time of actual delivery; and
- (c) if posted, on the second Business Day after the day it was sent by pre-paid first-class post,

provided that a notice or other communication given as described in clause 22.2(a) or clause 22.2(b) on a day which is not a Business Day or after 2pm in the place of receipt shall be deemed to have been received on the next Business Day.

22.3 Multiple borrowers

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

22.4 Receipt by Lender

Any notice or other communication given to the Lender shall be deemed to have been received only if sent as provided in clause 22.1(a) and only on actual receipt by the Lender.

23 Governing Law Jurisdiction and Other Service

23.1 Governing law

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

23.2 Jurisdiction

The parties to this mortgage irrevocably agree that the courts of England and Wales shall have non-exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this mortgage or its subject matter or formation (including non-contractual disputes or claims) but 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.

23.3 Other service

The Borrower irrevocably consents to any process in any proceedings under clause 23.2 being served on it in accordance with the provisions of this mortgage relating to service of notices but nothing contained in this mortgage shall affect the right to serve process in any other manner permitted by law.

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

Schedule 1 (Property)

All that freehold/leasehold land property and buildings at and known as 2 Nelson Street, Denton, Manchester, M34 3EU as title to the same is registered at the Land Registry under title number GM817555.

Schedule 2 (Assigned Agreements)

None

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, any Charged Property other than any Encumbrance created by this mortgage;
- (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 Property

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 mortgage.

3 Compliance with laws and regulations

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

3.2 The Borrower shall:

- (a) comply with the requirements of any law and regulation relating to or affecting the Charged Property or the use of it or any part of it;
- (b) obtain and promptly renew from time to time and comply with the terms of all consents or authorisations that are required in connection with the Charged Property or its use and that are necessary to preserve, maintain or renew any Charged Property; and
- (c) promptly effect any maintenance, modifications, alterations or repairs to be effected on or in connection with the Charged Property that are required to be made by the Borrower under any law or regulation.

4 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 that the Lender may require from time to time.

5 Notice of misrepresentations and breaches

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

- (a) any representation or warranty set out in clause 7 which is incorrect or misleading in any material respect when made or deemed to be repeated; and/or
- (b) any breach of covenant set out in this mortgage.

6 Title documents

The Borrower shall, on the execution of this mortgage, deposit with the Lender and the Lender shall, for the duration of this mortgage, 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 (and 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);
- (b) each Insurance Policy; and
- (c) a copy of each Assigned Agreement, certified to be a true copy by the Borrower's solicitors.

7 Notices to be given by the Borrower

The Borrower shall immediately on the execution of this mortgage:

- (a) give notice to the relevant insurers of the assignment of the Borrower's rights and interest in and under each Insurance Policy (including the proceeds of any claims under that Insurance Policy) pursuant to clause 4.2(a) and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Lender;
- (b) give notice to each of the other parties to the Assigned Agreements and to any guarantee or security for the performance of an Assigned Agreement of the assignment of the Borrower's rights and interest in and under the Assigned Agreements and each guarantee or security for the performance of an Assigned Agreement pursuant to clause 4.2(c) and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Lender; and
- (c) give notice to the bank, financial institution or other person (excluding the Lender) with whom the Borrower has the Rent Account of the charging to the Lender of the Borrower's rights and interests in the Rent Account pursuant to clause 4.1(b)(iv) and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Lender

and the Borrower shall obtain the Lender's prior written approval of the form of any notice or acknowledgement to be used under this paragraph 7.

8 Borrower's waiver of set-off

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

Part 2

Assigned Agreements covenants

1 No waiver of rights

The Borrower shall not, without the prior written consent of the Lender, waive any of the Borrower's rights under any Assigned Agreement.

2 No amendment or termination

The Borrower shall not, without the prior written consent of the Lender, supplement, amend, novate, terminate or permit termination of any Assigned Agreement.

Part 3

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

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 the Borrower 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 and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and 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

and 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 on the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for demolition and reinstatement) and must cover 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 3 of Schedule 3 (Covenants) (or where, in the case of any leasehold property, such insurance is effected by the landlord, such evidence of insurance as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).
- 4.3 The Borrower shall, if requested by the Lender, procure that either a note of the Lender's interest is endorsed upon **OR** the Lender is named as co-insured with the Borrower on each Insurance Policy maintained by the Borrower or any person on the Borrower's behalf in accordance with paragraph 4.1 of this Part 3 of Schedule 3 (Covenants) and that the terms of each Insurance Policy require the insurer not to invalidate the policy as against the Lender by reason of the act or default of any other joint or named insured nor to cancel it without giving at least 30 days' prior written notice to the Lender.

5 Insurance premiums

The Borrower shall:

- (a) promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep that policy in full force and effect; and
- (b) (if the Lender so requires) give to the Lender copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance Policy (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).

6 No invalidation of insurance

The Borrower shall not do or omit to do, or permit to be done or omitted, anything that may invalidate or otherwise prejudice any Insurance Policy.

7 Proceeds from Insurance Policies

All monies payable under any Insurance Policy at any time (whether or not the security constituted by this mortgage has become enforceable) shall:

- (a) be paid immediately to the Lender;
- (b) if they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower as trustee of the same for the benefit of 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.

8 Leases and licences affecting the Property

The Borrower shall not, without the prior written consent of the Lender (which consent in the case of paragraph 8(d) is not to be unreasonably withheld or delayed if under the terms of the relevant lease or licence or by law the Borrower may not unreasonably withhold or delay its consent):

- (a) grant or agree to grant any licence or tenancy affecting the whole or any part of the Property, or exercise or agree to exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925 in favour of any person, including without limitation in favour of any person who in relation to the Borrower is a "connected person" within the meaning of section 252 of the Companies Act 2006 or as defined in section 96(B)(2) and schedule 11B of the Financial Services and Markets Act 2000;
- (b) in any other way dispose of, accept the surrender of, surrender or create or agree to dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Property in favour of any person, including without limitation in favour of any person who in relation to the Borrower is a "connected person" within the meaning of section 252 of the Companies Act 2006 or as defined in section 96(B)(2) and schedule 11B of the Financial Services and Markets Act 2000;
- (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 whatever in or over the whole or any part of the Property.

10 Proprietary rights and Superior Interests

- (a) 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.
- (b) If the Property is leasehold the Borrower shall not acquire any legal or equitable interest in any reversionary interest in the lease under which the Borrower holds the Property or any other superior interest in the Property

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 thinks fit.

12.2 The Borrower shall give full particulars to the Lender of any claim, notice or other communication served on the Borrower 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 rent and outgoings

The Borrower shall:

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

14 Rent reviews

The Borrower:

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

15 Environment

The Borrower shall in respect of the Property:

- (a) comply with all the requirements of Environmental Law; and
- (b) obtain and comply with all Environmental Licences.

16 Conduct of business on Property

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

17 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 twenty-four hours' prior notice.

18 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, and disclosed to the Lender in writing, prior to the date of this mortgage.

Part 4

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 the Borrower's business and shall, immediately on receipt, pay all Rent into the Rent Account or into such other account as the Lender may direct from time to time. The Borrower shall, pending such payment in to the Rent Account or other account, hold all Rent on 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 4 of Schedule 3 (Covenants) shall not constitute the Lender as mortgagee in possession of the Property.
- 1.3 The Borrower agrees with the Lender that the Borrower shall not be entitled to receive, utilise, transfer or withdraw any credit balance from time to time on the Rent Account except with the prior written consent of the Lender.

2 Notice of assignment of Rent

The Borrower shall, promptly following the occurrence of an Enforcement Event, give notice in a form approved in writing by the Lender to the relevant tenant, guarantor or provider of security of the assignment pursuant to clause 4.2(b) of the Borrower's rights and interest to the Rent and each guarantee or security in respect of the Rent and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Lender.

Schedule 4 (Enforcement Events)

1 Enforcement events


This mortgage shall be enforceable if:

- (a) any of the Secured Liabilities are not paid or discharged when the same are due to be paid or discharged by the Borrower (whether on demand, at scheduled maturity, or by acceleration or otherwise, as the case may be); or
- (b) the Borrower is in breach of any of the Borrower's obligations under this mortgage or under any other agreement between the Borrower and the Lender or any Event of Default (as defined in the Facility Letter) occurs and, other than a breach of the obligations under clause 2 of this mortgage, that breach (if capable of remedy) has not been remedied to the satisfaction of the Lender within 14 days of the earlier of the Lender giving notice to the Borrower to remedy the breach or the Borrower becoming aware of the breach; or
- (c) the Borrower:
 - (i) becomes unable to pay its debts as they fall due and/or the value of the Borrower's assets is less than the amount of its liabilities, taking into account the Borrower's contingent and prospective liabilities; or
 - (ii) commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness; or
 - (iii) makes a general assignment for the benefit of, or a composition with, its creditors; or
- (d) the Borrower passes any resolution or takes any corporate action, or a petition is presented or proceedings are commenced, or any action is taken by any person for the winding-up, dissolution, administration or re-organisation of the Borrower or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of the Borrower or of any or all of the Borrower's revenues or assets; or
- (e) a distress, execution, attachment or other legal process is levied, or enforced on or is issued against all or any part of the assets of the Borrower and remains undischarged for seven days; or
- (f) any event occurs in relation to the Borrower that is analogous to those set out in paragraph 1(c), paragraph 1(d) or paragraph 1(e) of this Schedule 4 (Enforcement Events); or
- (g) any representation, warranty or statement made or deemed to be made by the Borrower under this mortgage is or proves to have been incomplete untrue incorrect or misleading when made or deemed to be made

and in any such event (whether or not the event is continuing), without prejudice to any other rights of the Lender, the powers of sale under the Law of Property Act 1925 shall

immediately be exercisable and the Lender may, in its absolute discretion, enforce all or any part of the security created by this mortgage as it sees fit.

Signed as a deed by
BILVA ASSETS LIMITED
acting by **SHIROMANI**
PADMANABHAM RAUNIAR
a director,



signature of director
Director

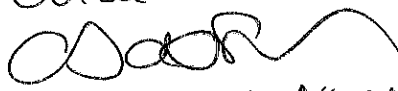
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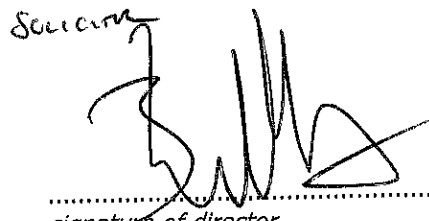
Witness Name:

Witness Signature:

Witness Address:

Witness Occupation:

CHARIE DOBS

11, BRETTS LANE AVENUE BUILDINGS HIGH STREET
TARPORLEN CW20 0AZ

Solicitor

signature of director
Director

Signed as a deed by
BILVA ASSETS LIMITED
acting by **BHAVESH WADHER**
a director,

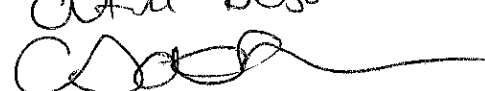
in the presence of:

Witness Name:

Witness Signature:

Witness Address:

Witness Occupation:

CHARIE DOBS

11, BRETTS LANE AVENUE BUILDINGS HIGH STREET
TARPORLEN CW20 0AZ
Solicitor