Companies House

MR01(ef)

Registration of a Charge

Company Name: **ADAPTED DEVELOPMENTS LTD**
Company Number: **11802671**

Received for filing in Electronic Format on the: **21/12/2022**

XBJBZ1VC

Details of Charge

Date of creation: **19/12/2022**

Charge code: **1180 2671 0001**

Persons entitled: **FERN TRADING GROUP LIMITED**

Brief description: **15 MARKET PLACE, KNARESBOROUGH, HG5 8AL. TITLE NUMBER: NYK363482. 17 PARK ROW, KNARESBOROUGH, HG5 0BJ. TITLE NUMBER: NYK202891. FOR MORE INFORMATION PLEASE REFER TO THE INSTRUMENT.**

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: **EMMA HATTERSLEY**

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11802671

Charge code: 1180 2671 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th December 2022 and created by ADAPTED DEVELOPMENTS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st December 2022 .

Given at Companies House, Cardiff on 23rd December 2022

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

octopus real estate

A brighter way

Legal mortgage (corporate)

Dated: 8th DECEMBER 2022

ADAPTED DEVELOPMENTS LTD

(Chargor)

Fern Trading Group Limited

(Lender)

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A brighter way

Find it fast

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octopus real estate
A brighter way

Legal Mortgage

Dated 19th DECEMBER **2022**

Between:

a) **ADAPTED DEVELOPMENTS LTD** a company incorporated under the laws of England and Wales with registered number 11802671 having its registered office at The Hub, 48 High Street, Knaresborough, HG5 9EQ, England (the Chargor); and

b) **FERN TRADING GROUP LIMITED** of a company incorporated under the laws of England and Wales with registered number 06447318 having its registered office at 6th Floor, 33 Holborn, London, EC1N 2HT (the Lender).

Background:

It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

Definitions and Interpretation

1.1 Definitions

In this Deed:

Act means the Law of Property Act 1925.

Agreement for Lease means an agreement to grant an Occupational Lease for all or part of the Mortgaged Property.

Authorisation means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

Default Interest means 2% above the highest rate of interest payable on any facility secured by the Security created or intended to be created by or pursuant to this Deed.

Delegate means any delegate, agent, attorney or trustee appointed by the Lender.

Environment means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

(a) air (including air within natural or man-made structures, whether above or below ground);

(b) water (including territorial, coastal and inland waters, water under or within land and water in drains and sewers); and

(c) land (including land under water).

Environmental Claim means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

Environmental Law means any applicable law or regulation which relates to:

(a) the pollution or protection of the Environment;

(b) the conditions of the workplace; or

(c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including any waste.

Environmental Permit means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of the Chargor conducted on or from the Mortgaged Property.

Guarantor means any persons or persons named as a guarantor by the Lender in relation to the Secured Liabilities.

Headlease means a lease under which the Chargor holds title to all or any part of a Mortgaged Property

Land has the same meaning as it has in section 205(1) of the Act.

Lease Document means:

(a) an Agreement for Lease; or

(b) an Occupational Lease.

Mortgagor means the Chargor and any other person or persons granting any Security in favour of the Lender in relation to the Secured Liabilities.

Mortgaged Property means the freehold or leasehold property (whether registered or unregistered) owned by the Chargor and specified in Schedule 1 (*Mortgaged Property*).

Occupational Lease means any lease or licence or other right of occupation or right to receive rent to which the Mortgaged Property may at any time be subject and includes any guarantee of a tenant's obligations under the same.

Party means a party to this Deed.

Property Rights means the following rights relating to the Mortgaged Property, whether arising by agreement, or under common law or statute:

(a) sums which may be or may become payable in respect of the Mortgaged Property or any damage or injury to it or a fall in its value and the benefit of any

other obligation, security right or indemnity affecting or concerning the Mortgaged Property;

(b) all rights, licences, guarantees, rent deposits, contracts, deeds, documents, undertakings and warranties relating to the Mortgaged Property;

(c) any shares or membership rights held by the Chargor in any management company relating to the Mortgaged Property; and

(d) any other payments whatever in respect of the Mortgaged Property, for example, payments from any insurance policy or any compensation money.

Receiver means a receiver or receiver and manager or administrative receiver, in each case appointed under this Deed.

Relevant Contract means:

(a) an appointment of a managing agent; or

(b) an agreement relating to the purchase of a Mortgaged Property by the Chargor.

Rental Income means the aggregate of all amounts paid or payable to or for the account of the Chargor in connection with the letting, licence or grant of other rights of use or occupation of any part of the Mortgaged Property.

Secured Liabilities means all moneys, obligations and liabilities whether for principal, interest or otherwise which may now or at any time in the future be due, owing or incurred by the Chargor, Guarantor and/or Mortgagor to the Lender, whether present or future, actual or contingent and whether alone, severally or jointly as principal guarantor, surety or otherwise.

Security means any mortgage, charge, standard security, right in security, security, pledge, lien, right of set-off, right to retention of title or other encumbrance, whether fixed or floating, over any present or future property, assets or undertaking.

Security Asset means any asset of the Chargor which is, or is expressed to be, subject to any Security created by this Deed.

Security Period means the period beginning on the date of this Deed and ending on the date on which the Lender is satisfied that:

(a) all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and

(b) it is under no commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to the Chargor, any Guarantor and/or any Mortgagor.

1.2 Construction

(a) The expressions 'Lender' where the context admits, includes its respective successors in title and transferees.

(b) If two or more persons are included in the expression 'Chargor', 'Guarantor' and/or 'Mortgagor', then the word 'Chargor', 'Guarantor' and/or 'Mortgagor' shall be deemed to refer to such persons both together and separately and all covenants, charges, agreements and undertakings expressed or implied on the part of the Chargor, Guarantor and/or Mortgagor, in this Deed shall be their joint and several obligations and each of them shall be primarily liable for all proper fees, expenses, taxes, liabilities, professional fees, or legal costs incurred by the Lender acting reasonably in relation to each and every Chargor, Guarantor and/or Mortgagor;

(c) paragraph headings are for ease of reference only and are not to affect the interpretation of this Deed;

(d) words importing the singular are to include the plural and vice versa;

(e) any reference to any statute or any section of any statute or subordinate legislation shall be deemed to include reference to any statutory modification or re-enactment of it for the time being in force;

(f) references to a person or persons includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership or other entity (whether or not having a separate legal personality);

(g) words importing one gender import any other gender and words importing the singular import the plural and vice versa;

(h) Unless a contrary indication appears, a reference in this Deed to:

(i) this Deed or any other agreement or instrument is a reference to Deed or other agreement or instrument as amended, novated, supplemented, extended or restated from time to time;

(ii) any **rights** in respect of an asset includes:

(A) all amounts and proceeds paid or payable;

(B) all rights to make any demand or claim; and

(C) all powers, remedies, causes of action, security, guarantees and indemnities,

in each case in respect of or derived from that asset;

(iii) the term **this Security** means any Security created by this Deed.

(i) Each of the mortgages, fixed charges and assignments contained in Clauses 2.3 (*Mortgaged Property*) to 2.6 (*Other contracts*) (inclusive) over each category of assets and each asset specified in those Clauses shall be read and construed separately, as though each such category and asset were mortgaged, charged or assigned (as applicable) independently and separately of each other.

(j) Any covenant of the Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.

(k) The terms of any other agreement or instrument between any parties to this Deed are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

(l) If the Lender considers that an amount paid to it in relation to the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.

(m) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

1.3 Third party rights

(a) Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contract (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

(b) Notwithstanding any term in this Deed, the consent of any person who is not a Party is not required to rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed at any time.

(c) Any Receiver, any Delegate or any person described in Clause 8.4 (*Protection of third parties*) may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph (b) above and the provisions of the Contract (Rights of Third Parties) Act 1999.

Creation of Security

2.1 Covenant to pay

The Chargor must pay or discharge the Secured Liabilities when the same fall due for payment.

2.2 General

All the Security created under this Deed:

(a) is created in favour of the Lender;

(b) is created over present and future assets of the Chargor;

(c) is security for the payment and discharge of all the Secured Liabilities; and

(d) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

2.3 Mortgaged Property

The Chargor charges by way of a first legal mortgage all estates or interests in the Mortgaged Property.

2.4 Plant and machinery

To the extent that they are not the subject of a mortgage under Clause 2.3 (*Mortgaged Property*), the Chargor charges by way of a first fixed charge all plant and machinery, owned by the Chargor and its interest in any plant or machinery in its possession, together with the benefit of all related Authorisations, agreements and warranties

2.5 Insurances

(a) The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest (together the **Insurance Rights**).

(b) To the extent that they have not been effectively assigned under paragraph (a) above, the Chargor charges by way of first fixed charge all of its Insurance Rights.

2.6 Other contracts relating to the Mortgaged Property

(a) The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights:

(i) under each Lease Document;

(ii) in respect of all Rental Income;

(iii) [under any guarantee of Rental Income contained in or relating to any Lease Document; and

(iv) under each Relevant Contract.

(b) To the extent that they have not been effectively assigned under paragraph (a) above, the Chargor charges by way of a first fixed charge all of its rights listed under paragraph (a) above.

2.7 Trust

(a) If or to the extent that the assignment or charging of any Security Asset is ineffective because of a prohibition on that assignment or charging, then the Chargor holds it on trust for the Lender.

(b) If the prohibition referred to in paragraph (a) is due to the fact a consent or waiver must be obtained or a condition must be satisfied, then the Chargor must seek the consent or waiver or satisfy the condition to the satisfaction of the Lender.

(c) On the waiver or consent being obtained, or the condition being satisfied, the Security Asset shall be mortgaged, charged or assigned (as appropriate) under this Clause and, in relation to such Security Asset, the trust referred to in paragraph (a) shall terminate.

Representations and warranties

The Chargor makes the representations and warranties set out in this Clause 3 (*Representations and warranties*) on the date of this Deed and repeats each of them on each day of the Security Period.

3.1 Status

(a) The Chargor is duly incorporated and validly existing under laws of the jurisdiction of its incorporation.

(b) The Chargor has the power to sue and be sued in its own name and to own its assets and carry on its business as that business is being and will be conducted.

3.2 Binding obligations

The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations.

3.3 No filing or stamp taxes

(a) Under the law of its jurisdiction of incorporation or in any jurisdiction in which the Chargor conducts its business it is not necessary that this Deed be filed, recorded or enrolled with any court or other authority in that jurisdiction, or that any stamp, registration or similar tax be paid on or in relation to this Deed except:

(i) (where the Chargor is a UK company) registration of particulars of the Deed at Companies House pursuant to the Companies Act 2006 and payment of associated fees; and

(ii) registration of the Deed at the Land Registry or Land Charges Registry in England and Wales and payment of associated fees,

which registration(s), filing(s) and fees will be made and paid promptly after the date of this Deed.

(b) Any disclosure required to be made by it to any relevant taxing authority in relation to stamp duty land tax payable on any transactions contemplated by this Deed has been made.

3.4 Insolvency

It has not taken any action nor (to the best of its knowledge and belief) have any steps been taken or legal proceedings been started or threatened against it for its winding-up, dissolution or re-organisation, for the enforcement of any Security over its assets or for the appointment of a liquidator, supervisor, receiver, administrator, administrative receiver, compulsory manager, trustee or other similar officer of it or in respect of any of its assets.

3.5 No Security created

No security has been granted in relation to the Mortgaged Property or the Secured Assets other than that being granted.

3.6 Title to Mortgaged Property

(a) The Chargor will, from the date of this Deed:

(i) (subject to registration of the relevant transfer under the Land Registration Act 2002) be the legal and beneficial owner of the Mortgaged Property; and

(ii) have good and marketable title to the Mortgaged Property,

in each case free from Security (other than that created by or pursuant to this Deed) and restrictions and onerous covenants (other than as disclosed in any report on the Mortgaged Property delivered to the Lender prior to the date of this Deed).

(b) From the date of this Deed (other than as disclosed in any report on the Mortgaged Property delivered to the Lender prior to the date of this Deed):

(i) no breach of any law, regulation or covenant is outstanding which adversely affects or might reasonably be expected to adversely affect the value, saleability or use of the Mortgaged Property;

(ii) there is no covenant, agreement, stipulation, reservation, condition, interest, right, easement or other matter whatsoever adversely affecting the Mortgaged Property;

(iii) nothing has arisen or has been created or is outstanding which would be an overriding interest, or an unregistered interest which overrides first registration or a registered disposition, over the Mortgaged Property;

(iv) all facilities necessary for the enjoyment and use of the Mortgaged Property (including those necessary for the carrying on of its business at the Mortgaged Property) are enjoyed by the Mortgaged Property;

(v) none of the facilities referred to in paragraph (iv) above are enjoyed on terms:

(A) entitling any person to terminate or curtail its use of the Mortgaged Property; or

(B) which conflict with or restrict its use of the Mortgaged Property;

(vi) the Chargor has not received any notice of any adverse claim by any person in respect of the ownership of the Mortgaged Property or any interest in it which might reasonably be expected to be determined in favour of that person, nor has any acknowledgement been given to any such person in respect of the Mortgaged Property; and

(vii) the Mortgaged Property is held by the Chargor free from any lease or licence (other than those entered into in accordance with this Deed).

3.7 **No breach of other obligations**

The entry into and performance by the Chargor of, and the transactions contemplated by, this Deed do not and will not conflict with or breach:

(a) the constitutional documents of the Chargor;

(b) any regulation or law to which the Chargor is subject or binding on its assets; or

(c) any agreement or instrument binding upon the Chargor or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument

3.8 **Information**

All information given by the Chargor in connection with this Deed and/or the Mortgaged Property is true, accurate and a full disclosure of all relevant information, including in respect of:

(a) the identity, legal capacity and financial standing of the Chargor;

(b) the terms of any leases, tenancies or occupational licences to which the Mortgaged Property is subject; and

(c) restrictions on the use to which the Mortgaged Property may be put (whether as a result of development control legislation or matters of title or otherwise).

3.9 **Valuation**

(a) The Mortgaged Property is accurately described in the most recent valuation report delivered to the Lender.

(b) The Chargor has not omitted to supply any information to the valuer which, if disclosed, would adversely affect the valuation report delivered to the Lender in respect of the Mortgaged Property.

3.10 Disclosure of interests

The Chargor has disclosed all interests it has in any property which adjoins or is neighbouring to the Mortgaged Property or over which the Mortgaged Property has the benefit of any rights (or vice versa).

3.11 Purchase of Property

The Chargor has not purchased the Mortgaged Property as a nominee or trustee for anyone else, nor has anyone else been given any option or right of pre-emption or other right to buy it from them.

General undertakings

4.1 Negative pledge

The Chargor shall not without the previous written consent of the Lender create or permit to subsist any Security over any Security Asset.

4.2 Disposals

The Chargor shall not without the previous written consent of the Lender enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, convey, assign, lease, transfer, loan, or otherwise dispose of all or any part of any Security Asset, or enter into an agreement to make any such disposal.

4.3 Preservation of Security Assets

The Chargor shall not:

(a) enter into any onerous obligation or restriction affecting any Security Asset; or

(b) do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the Security created by this Deed or materially diminish the value of any Security Asset or the effectiveness of the Security created by this Deed.

4.4 Covenants and payments

The Chargor must:

(a) observe and perform all covenants and other obligations and matters (whether or not contained in any agreement or other document) from time to time affecting any of the Security Assets or their use or enjoyment;

(b) promptly inform the Lender if it becomes aware of any steps taken or proceedings commenced by any person with a view to obtaining forfeiture of or determining any lease, underlease, tenancy or licence comprised in the Security Assets;

(c) not permit any breach of any statutes, bye-laws, other laws and regulations affecting any of the Security Assets; and

(d) pay or procure the payment of all rents, rates, taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable (whether by the owner or the occupier) in respect of any of the Security Assets.

4.5 Enforcement of rights

The Chargor must use its best endeavours to:

(a) procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Chargor and forming part of the Security Assets 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 Security Assets that the Lender may require from time to time.

4.6 Rental Income

(a) The Chargor must get in and realise its:

(i) Rental Income; and

(ii) any book and other debts and other moneys due and owing to it in the ordinary course of its business

and hold the proceeds of the getting in and realisation on trust for the Lender.

(b) At the Lender's request, the Chargor shall pay any proceeds received under paragraph (a) above in repayment of the Secured Liabilities.

4.7 Property Rights

(a) The Chargor agrees and declares that it holds and will hold all Property Rights on trust for the Lender.

(b) Any payment arising in respect of Property Rights must (unless used to the Lender's satisfaction in restoring or improving the Mortgaged Property or other Secured Assets) go towards repayment of the Secured Liabilities whether or not the Lender has sent a demand to the Chargor and whether or not the Secured Liabilities have fallen due. The Chargor must take all steps necessary to make sure the Lender receives the money.

4.8 Licences

(a) If the Chargor at any time holds any regulatory consent, licence or certificate (including but not limited to any regulatory consent, licence or certificate under the Licensing Act 2003, Gambling Act 2005 or other legislation) governing activities carried on at or from the Mortgaged Property, the Chargor agrees:

(i) to obtain, renew and maintain such consent, licence or certificate in a form reasonably acceptable to the Lender;

(ii) not to do nor omit nor allow anything to be done which may prejudice the continued existence or renewal of such consent, licence or certificate; and

(iii) at any time after the Lender hs demanded repayment of the Secured Liabilities, the Chargor will upon the written request of the Lender or any Receiver do anything or sign any document which the Lender or such Receiver requests to assist in the transfer of such licence or certificate to any other person.

(b) Following any assignment or charge to the Lender of the Property Rights including the right to recover and receive all compensation or other monies from time to time payable under them whether pursuant to any statute or otherwise, the Chargor agrees:

(i) to make all payments and do all other things necessary to take out and maintain all necessary licences in respect of the business or businesses from time to time the subject of this Security and not in any way to risk losing any such licence or prejudice its renewal; and

(ii) if the Lender requests, do anything necessary to assign or transfer such licences to the Lender or at the Lender's direction (the production of the relevant Security Document to be conclusive evidence of the Chargor's consent to any such transfer).

4.9 Registration at Companies House

The Chargor consents to the registration of this Deed at Companies House pursuant to Part 25 of the Companies Act 2006.

Property undertakings

5.1 Title

(a) The Chargor must exercise its rights and comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Mortgaged Property.

(b) The Chargor may not agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Mortgaged Property.

(c) The Chargor must promptly take all such steps as may be necessary or desirable to enable the Security created by this Deed to be registered, against any relevant title registered at the Land Registry.

5.2 Repair

The Chargor must:

(a) keep the buildings installations structures and all plant machinery fixtures and fittings upon the Mortgaged Property in good and substantial repair and condition; and

(b) permit representatives of the Lender free access at all reasonable times to view the state and condition of the Mortgaged Property.

5.3 Alterations

(a) The Chargor shall not:

(i) demolish, pull down, remove or permit or suffer to be demolished, pulled down or removed any building, installation or structure for the time being upon the Mortgaged Property; or

(ii) erect or make or suffer to be erected or made on the Mortgaged Property any building installation or alteration

without the previous written consent of the Lender.

(b) The Chargor shall not commit any waste upon nor destroy or injure in any manner or by any means lessen or suffer to be lessened to any material extent the value of the Mortgaged Property.

5.4 Planning and development

(a) The Chargor shall not:

(i) make or allow to be made any application for planning permission listed building consent, conservation area consent, or building regulation approval in respect of any part of its Mortgaged Property; or

(ii) enter into or agree to enter into any agreement under Section 106 of the Town and Country Planning Act 1990 or Section 33 of the Local Government (Miscellaneous Provisions) Act 1982 or Section 38 of the Highways Act 1980 or any similar statute.

(b) The Chargor shall not allow or permit levies under the Community Infrastructure Levy Regulations 2010 (as amended from time to time) to become payable in respect of the Mortgaged Property without the previous written consent of the Lender.

(c) The Chargor shall not change the use of any Mortgaged Property whether or not such change of use requires planning permission or consent without the previous written consent of the Lender (of which the Lender may withhold at its absolute discretion).

(d) The Chargor shall comply with the requirements of any valid enforcement notice or other notice or order in respect of the Mortgaged Property within such time as may be specified therein or if no time is specified within such period as may be reasonably required by the Lender and to pay to the Lender in reduction of the Secured Liabilities any compensation received as a result of any such notice or order.

5.5 Managing agents and asset managers

The Chargor may not:

(a) appoint any managing agent or asset manager;

(b) amend, supplement, extend or waive the terms of appointment of any managing agent or asset manager; or

(c) terminate the appointment of any managing agent or asset manager,

in relation to the Mortgaged Property without the previous written consent of, and on terms approved by, the Lender.

5.6 Environmental matters

(a) The Chargor shall:

(i) comply and ensure that any relevant third party complies with all Environmental Law at or in relation to the Mortgaged Property in all material respects;

(ii) obtain, maintain and ensure compliance with all requisite Environmental Permits applicable to it or to the Mortgaged Property; and

(iii) implement procedures to monitor compliance with and to prevent liability under any Environmental Law applicable to it or the Mortgaged Property.

(b) The Chargor must, promptly upon becoming aware, notify the Lender of:

(i) any Environmental Claim started, or to its knowledge, threatened;

(ii) any circumstances reasonably likely to result in an Environmental Claim; or

(iii) any suspension, revocation or notification of any Environmental Permit,

relating to the Mortgaged Property.

(c) The Chargor must indemnify the Lender against any loss or liability which:

(i) the Lender incurs as a result of any actual or alleged breach of any Environmental Law by any person; and

(ii) would not have arisen if this Deed or any other any written agreement relating to the Secured Liabilities had not been entered into,

unless it is caused by the Lender 's gross negligence or wilful misconduct.

5.7 Headlease

(a) The Chargor shall:

(i) perform and observe all covenants and conditions contained in any Headlease to be performed and observed by it;

(ii) use its reasonable endeavours to ensure that each landlord complies with its obligations under any Headlease; and

(iii) not agree (without the previous written consent of the Lender) to any amendment, supplement, waiver, surrender or release of any Headlease.

(b) If the Chargor receives any notice served under section 146 of the Law of Property Act 1925 or any proceedings shall be commenced for forfeiture of the Headlease or any superior lease or the landlord or any superior landlord shall attempt to re-enter under the provisions of the Headlease or any superior lease the Chargor shall give immediate notice of such event in writing to the Lender and at the request of the Lender and at the expense of the Chargor take such steps as the Lender may in its absolute reasonable discretion require by way of remedial action or with a view to preserving this Security or its value.

(c) If the Chargor gives any notice to get an extended term or to purchase the freehold reversion it must provide a copy of the notice to the Lender. No later than one month following the acquisition, the Chargor must send the Lender the deeds relating to the extended term or freehold interest which it acquire and, if asked, the Chargor will enter into a deed of substitution or new Security of the extended term or freehold interest in a form approved by the Lender.

(d) Any extended term or freehold interest which the Chargor acquires in substitution for or in addition to the leasehold estate mentioned in paragraph (c) above is included in and forms part of the Mortgaged Property with effect from its date of acquisition.

5.8 Occupational Leases

(a) The Chargor will not create any Lease Document or part with possession or share possession or otherwise dispose of any Mortgaged Property or any part thereof without the Lender's previous written consent. Any such consent will only be granted if the Lender has received and is satisfied with a report on any proposed Lease Document prepared by the Lender's solicitors or solicitors acceptable to the Lender, the cost of which report shall be borne by the Chargor.

(b) In respect of any Lease Document, the Chargor agrees:

(i) to perform and observe all covenants and conditions contained in all Lease Documents to be performed and observed by it;

(ii) to enforce the due observance and performance of all obligations of all other parties to the Lease Documents; and

not to waive, release or vary any of the terms of the Lease Document, or to accept any surrender of any Lease Document or exercise any power to determine or extend the same or grant any consent or licence or conclude any rent review under the same without, in each case, the previous written consent of the Lender (which consent is not to be unreasonably withheld or delayed in circumstances in which the Chargor may not unreasonably withhold or delay its consent.

5.9 Notices

Within ten days of the receipt of notice of the same by the Chargor give full particulars to the Lender of any notice, order, direction, designation, resolution or proposal having specific application to the Mortgaged Property or to the area in which it is situate given or made by any planning authority or other public body or authority whatever or in pursuance of the powers conferred by any other statute and to comply immediately with the terms thereof or if the Lender so requires or approves and at the Chargor's costs to make such objections or representations against or in respect of such notice or order as the Lender may reasonably require and any compensation received by the Chargor as a result of any such notice or order shall in the Lender's absolute discretion be applied in reduction of the Secured Liabilities.

5.10 Information

The Chargor shall, on request by the Lender, produce or provide for the Lender such documents or information relating to the Mortgaged Property or its development as the Lender may reasonably require and promptly deliver to the Lender a copy of any notice or proceedings served by any person on the Chargor relating to the Mortgaged Property or alleging any breach of any obligations relating to the Mortgaged Property.

5.11 Prior Security

The Chargor shall comply with the terms and conditions of any pre-existing Security secured against the Mortgaged Property and any facilities secured by any such Security.

5.12 Rights of access

At any time, the Chargor irrevocably agrees that upon the Lender giving reasonable notice (whether verbal or written, including by email) to the Chargor, the Chargor will allow the Lender, Receiver or Delegate full or uninterrupted access to the Mortgaged Property for the purposes including, but not limited to, allowing the Lender to ascertain whether there have been any material alterations, to the structure or interior of the Mortgaged Property or whether

any essential maintenance is required in order to ensure that the value of the Mortgaged Property is not jeopardised or may be jeopardised in any way.

5.13 Management Companies and Shares

If the Mortgaged Property is held by the Chargor subject to covenants or rights which require or enable the Chargor to be a member of or hold shares in a management company the Chargor will deposit its share certificate or other certificate of membership of that company with the Lender together with an executed share or membership transfer form leaving the transferee's name blank.

5.14 Acquisitions

If the Chargor acquires any Land in England and Wales after the date of this Deed it must:

(a) notify the Lender immediately;

(b) immediately on request by the Lender and at the cost of the Chargor, execute and deliver to the Lender a legal mortgage over that Land in favour of the Lender in any form which the Lender may require; and

(c)

(i) if the title to that Land is registered at the Land Registry or required to be so registered, give the Land Registry written notice of this Security; and

(ii) if applicable, ensure that this Security is correctly noted against that title in the title register at the Land Registry.

5.15 Land Registry

(a) The Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated 19/12/2022 in favour of Fern Trading Group Limited referred to in the charges register or their conveyancer".

5.16 Deposit of title deeds

The Chargor must immediately:

(a) deposit with the Lender all deeds and documents necessary to show good and marketable title to the Mortgaged Property (the **Title Documents**);

(b) procure that the Title Documents are held to the order of the Lender; or

(c) procure that the Title Documents are held to the order of the Lender by a firm of solicitors approved by the Lender for that purpose.

5.17 VAT

The Chargor shall not alter the VAT status of the Mortgaged Property.

5.18 Notices to tenants

The Chargor must:

(a) serve a notice of assignment, substantially in the form of Part 1 of Schedule 2 (*Forms of Letter for Occupational Tenants*), on each tenant of the Mortgaged Property, such notice to be served:

(i) at any time if requested by the Lender, for all tenants in place on that date; and

(ii) for any new tenant, at any time if requested by the Lender,

and deliver to the Lender a certified copy of each notice; and

(b) use reasonable endeavours to ensure that each such tenant acknowledges that notice, substantially in the form of Part 1 of Schedule 2 (*Forms of Letter for Occupational Tenants*).

5.19 Power to remedy

If the Chargor fails to comply with any of the obligations under this Deed in respect of the Mortgaged Property then the Lender may enter the Mortgaged Property and repair or insure the Mortgaged Property or take such other steps as it considers appropriate to procure the performance of such obligation or otherwise remedy such failure (including without limitation the payment of outstanding amounts due under pre-existing charges or facilities secured by such charges) and shall not thereby be deemed to be a mortgagee in possession and the moneys expended by the Lender shall be reimbursed by the Chargor on demand, and until so reimbursed, such sums shall be added to the Secured Liabilities and shall carry Default Interest from the date of payment to the date of reimbursement. The Lender shall be entitled to debit such sums of money, expenses and costs to any account the Chargor has with the Lender.

Insurance undertakings

6.1 Insurance

(a) The Chargor must ensure that at all times the Mortgaged Property is insured and maintained in full force and effect with such insurer which:

(i) provide cover against loss or damage by fire, lightning; aircraft; explosion; earthquake; storm; flood; escape of water or oil; riot; malicious damage; theft or attempted theft; falling trees and branches and aerials; subsidence; heave; landslip; collision; accidental damage to underground services;

(ii) provide cover for professional fees, demolition and site clearance costs; and public liability to anyone else;

(iii) provide cover for such other risks as the as the Lender acting reasonably may from time to time specify;

(iv) insure the Chargor in respect of its interests in the Mortgaged Property for its full replacement value (including site clearance, VAT and professional fees);

(v) in the case of Mortgaged Property subject to an Occupational Lease, provide cover for three years' loss of rent.

(b) The Chargor must ensure the Lender's interest is noted on the insurance policy, or at the Lender's request, the Lender is named as co-insured and co-payee.

(c) If the Lender requires, the Chargor must effect and maintain (with the Lender's interest noted on the policy, or at the Lender's option, with the Lender named as co-insured and co-payee) sufficient and appropriate insurance policies in respect of the Chargor's business and all of its assets.

(d) The Chargor shall pay all premiums when due and forthwith upon written request and on each policy renewal date, produce or deposit with the Lender all such policies and receipts for all premiums and other payments necessary for effecting and maintaining such insurances.

(e) If the Chargor fails at any time to insure the Mortgaged Property (or its business and assets) as required above, the Lender may take such steps and make such arrangements and payments as it deems necessary to ensure that its interest is suitably protected and any costs or expenses incurred in so doing will be debited to the Chargor's loan account and we will also charge the appropriate account charge.

6.2 Proceeds of insurance

(a) The Chargor shall hold the proceeds of insurance from any policy entered into under Clause 6.1 (*Insurance*) above in trust for the Lender then (subject to paragraph (b) below) apply the whole of the proceeds of such policy in fully reinstating the Mortgaged Property or otherwise make good the loss or damage suffered.

(b) The Lender may require the proceeds of insurance to be applied in or towards discharge of the Secured Liabilities where:

(i) reinstatement of the Mortgaged Property within a reasonable time is impossible or impracticable for example due to non-availability of necessary consents, workmen or materials or adverse ground conditions;

(ii) the proceeds of insurance are insufficient to fund reinstatement of the Mortgaged Property in full (or are otherwise insufficient to make good the loss or damage suffered);

(iii) in the reasonable opinion of the Lender having regard to the cost of reinstatement (or otherwise making good the loss or damage suffered) and valuation advice, reinstatement (or otherwise making good the loss or damage suffered) would be uneconomic; or

(iv) at any time after the Security has become enforceable.

6.3 Notice to the insurers

The Chargor shall:

(a) at any time if requested by the Lender give notice to the counterparties to the insurances of the assignment created under Clause 2.5 (*Insurances*), each such notice to be in the form set out in Part 1 of Schedule 3 (*Forms of Letter for Insurances*) (or other form approved by the Lender) and deliver to the Lender a certified copy of each notice;

(b) use all reasonable endeavours to procure that each party served with a notice under paragraph (a) above countersigns and returns it to the Lender as set out in Part 2 of Schedule 3 (*Forms of Letter for Insurances*) as applicable (or in any other form approved by the Lender).

When Security Becomes Enforceable

7.1 Timing

This Security will become immediately enforceable on the earlier of:

(a) the date the Lender demands repayment of any of the Secured Liabilities; or

(b) the date the Chargor breaches a provision of this Deed or any document evidencing the facilities to which the Secured Liabilities relate.

7.2 Discretion

After this Security has become enforceable, the Lender may enforce all or any part of this Security in any manner it sees fit.

7.3 Statutory powers

The power of sale and other powers conferred by the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

Enforcement of Security

8.1 General

(a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

(b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

(c) The statutory powers of leasing conferred on the Lender are extended so as to authorise the Lender to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender may think fit and without the need to comply with any provision of section 99 or section 100 of the Act.

8.2 No liability as mortgagee in possession

Neither the Lender nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

8.3 Privileges

The Lender and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

8.4 Protection of third parties

No person (including a purchaser) dealing with the Lender or a Receiver or its or his/her agents will be concerned to enquire:

(a) whether the Secured Liabilities have become payable;

(b) whether any power which the Lender or a Receiver is purporting to exercise has become exercisable or is being properly exercised;

(c) whether any money remains due by the Chargor, any Guarantor and/or any Mortgagor to the Lender; or

(d) how any money paid to the Lender or to that Receiver is to be applied.

8.5 Redemption of prior mortgages

(a) At any time after this Security has become enforceable, the Lender may:

(i) redeem any prior Security against any Security Asset; and/or

(ii) procure the transfer of that Security to itself; and/or

(iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.

(b) The Chargor must pay to the Lender, immediately on demand, the costs and expenses incurred by the Lender in connection with any such redemption and/or transfer, including the payment of any principal or interest.

8.6 Contingencies

If this Security is enforced at a time when no Secured Liability is due and payable but at a time when amounts may or will become due, the Lender (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

8.7 Reinstatement

If any payment by the Chargor or discharge given by the Lender (whether in respect of the obligations of the Chargor, any Guarantor and/or Mortgagor or any Security for those obligations or otherwise) is avoided or reduced as a result of insolvency, liquidation, administration or any similar event:

(a) the liabilities of the Chargor and the Security created by this Deed shall continue as if the payment, discharge, avoidance or reduction had not occurred; and

(b) the Lender shall be entitled to recover the value or amount of that Security or payment from the Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

8.8 Waiver of defences

Neither the Security created by this Deed nor the obligations of the Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it or the Lender) including:

(a) any time, waiver or consent granted to, or composition with, the Chargor, any Guarantor and/or Mortgagor or other person;

(b) the release of the Chargor, any Guarantor and/or Mortgagor or any other person under the terms of any composition or arrangement with any person;

(c) the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of the Chargor, any Guarantor and/or Mortgagor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an the Chargor, any Guarantor and/or Mortgagor or any other person;

(e) any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of any written agreement relating to the Secured Liabilities or any other document or Security;

(f) any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any written agreement relating to the Secured Liabilities or any other document; or

(g) any insolvency, liquidation, administration or similar procedure.

8.9 Chargor intent

The Chargor expressly confirms that it intends that the Security created by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any facility or amount made available by the Lender for the purposes of or in connection with any of the following:

(a) acquisitions of any nature;

(b) increasing working capital;

(c) enabling investor distributions to be made;

(d) carrying out restructurings;

(e) refinancing existing facilities;

(f) refinancing any other indebtedness;

(g) making facilities available to new borrowers;

(h) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and

any fees, costs and/or expenses associated with any of the foregoing.

8.10 Appropriations

During the Security Period the Lender may:

(a) refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 11 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Chargor shall not be entitled to the benefit of the same; and

(b) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Secured Liabilities.

8.11 Deferral of Chargor's rights

During the Security Period and unless the Lender otherwise directs, the Chargor shall not exercise any rights which it may have by reason of performance by it of its obligations under this Deed or the enforcement of the Security created by this Deed:

(a) to receive or claim payment from, or be indemnified by the Chargor, any Guarantor and/or Mortgagor;

(b) to claim any contribution from any guarantor of, or provider of Security in respect of the Secured Liabilities;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under any facility or of any guarantee or Security taken pursuant to, or in connection with the Secured Liabilities by the Lender;

(d) to exercise any right of set-off against the Chargor, any Guarantor and/or Mortgagor; and/or

(e) to claim or prove as a creditor of the Chargor, any Guarantor and/or Mortgagor in competition with the Lender.

8.12 Additional Security

This Deed is in addition to, is not in any way prejudiced by and shall not merge with any contractual right or remedy or other Security now or in the future held by or available to the Lender.

Receiver

9.1 Appointment of Receiver

(a) Except as provided below, the Lender may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:

(i) this Security has become enforceable; or

(ii) the Chargor so requests to the Lender at any time.

(b) Any appointment under paragrpah (a) above may be by deed, under seal or in writing under its hand.

(c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.

(d) If section A52 of Part A1 of the Insolvency Act 1986 applies to this Deed, the Lender is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986 other than in respect of a floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.

(e) The Lender may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Lender is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

9.2 Removal

The Lender may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

9.3 Remuneration

The Lender may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

9.4 Agent of the Chargor

(a) A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

(b) The Lender will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

9.5 Relationship with Lender

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Lender in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

Powers of Receiver

10.1 General

(a) A Receiver has all of the rights, powers and discretions set out below in this Clause 10 in addition to those conferred on it by any law. This includes all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.

(b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

10.2 Possession

A Receiver may take immediate possession of, get in and realise any Security Asset.

10.3 Carry on business

A Receiver may carry on any business of the Chargor carried out at, or relating to, the Mortgaged Property in any manner he/she thinks fit.

10.4 Employees

(a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit.

(b) A Receiver may discharge any person appointed by the Chargor from any duties relating to the Security Assets.

10.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he/she thinks fit.

10.6 Sale of assets

(a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.

(b) The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.

(c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

10.7 Leases

A Receiver may let the Mortgaged Property for any term and at any rent (with or without a premium) which he/she thinks fit and may accept a surrender of any lease or tenancy of the Mortgaged Property on any terms which he/she thinks fit (including the payment of money to a lessee or tenant on a surrender).

10.8 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset.

10.9 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she thinks fit.

10.10 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

10.11 Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset.

10.12 Delegation

A Receiver may delegate his/her powers in accordance with this Deed.

10.13 Lending

A Receiver may lend money or advance credit to any person.

10.14 Protection of assets

A Receiver may:

(a) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;

(b) commence and/or complete any building operation; and

(c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

10.15 Other powers

A Receiver may:

(a) do all other acts and things which he/she may consider necessary or desirable for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;

(b) exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset; and

(c) use the name of the Chargor for any of the above purposes.

Application of Proceeds

(a) All amounts from time to time received or recovered by the Lender or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Lender and applied (to the extent permitted by applicable law) in the following order:

(i) in discharging any sums owing to the Lender, any Receiver or any Delegate;

(ii) in payment of all costs and expenses incurred by the Lender in connection with any realisation or enforcement of this Deed;

(iii) if the Chargor, Guarantor and/or Mortgagor are not under any further actual or contingent liability, in payment or distribution to any person to whom the Lender is obliged to pay or distribute in priority to the Chargor, Guarantor and/or Mortgagor; and

(iv) the balance, if any, in payment or distribution to the Chargor, Guarantor and/or Mortgagor.

(b) This Clause 0:

(i) is subject to the payment of any claims having priority over this Security; and

(ii) does not prejudice the right of the Lender to recover any shortfall from the Chargor.

Protection of the Lender and Receivers

12.1 Exclusion of liability

None of the Lender, any Receiver or any Delegate will be liable (including for negligence or any other category of liability) for:

(a) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with this Deed or the Security Assets, unless directly caused by its gross negligence or wilful misconduct;

(b) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with this Deed or any other agreement, arrangement or document

entered into, made or executed in anticipation of, under or in connection with, this Deed;

(c) any shortfall which arises on the enforcement or realisation of the Security Assets;

(d) any loss resulting from any fluctuation in exchange rates in connection with any purchase of currencies under Clause 16.6 (*Currency conversion*); or

(e) the loss of any title deed or other document relating to the Security Assets, unless directly caused by its gross negligence or wilful misconduct.

12.2 Chargor's Indemnity

(a) The Chargor shall promptly indemnify the Lender, and every Receiver and Delegate against any cost, loss or liability incurred by any of them as a result of:

(i) the taking, holding, protection or enforcement of the Security conferred by this Deed;

(ii) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Lender and each Receiver and any Delegate by this Deed or by law;

(iii) any default by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed;

(iv) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts in connection with this Deed or the Security Assets; or

(v) acting as Lender, Receiver or Delegate under this Deed or which otherwise relates to any of the Security Assets (otherwise, in each case, than by reason of the Lender's or the relevant Receiver's or Delegate's gross negligence or wilful misconduct).

(b) The Lender and every Receiver and Delegate may indemnify itself out of the Security Assets in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this Clause 12.2 and shall have a lien on the Security conferred by this Deed and the proceeds of the enforcement of the Security Assets for all moneys payable to it.

Delegation

13.1 Power of Attorney

The Lender or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

13.2 **Terms**

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Lender or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Lender.

13.3 **Liability**

Neither the Lender nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

Further Assurances

(a) The Chargor must promptly, at its own expense, take whatever action the Lender or a Receiver may require for:

(i) creating, perfecting or protecting any security over any Security Asset; or

(ii) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Lender or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.

(b) The action that may be required under paragraph (a) above includes:

(i) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Lender or to its nominees; or

(ii) the giving of any notice, order or direction and the making of any filing or registration;

which, in any such case, the Lender may consider necessary or desirable.

Power of Attorney

The Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of the Chargor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of the Chargor under or pursuant to this Deed or generally for enabling the Lender or any Receiver to exercise the respective powers conferred on them under this Deed or by law. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 0.

Miscellaneous

16.1 Continuing Security

This Security is a continuing security and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

16.2 Tacking

The Lender must perform its obligations under any agreement in writing between the Lender and:

(a) the Chargor; or

(b) any Guarantor and/or Mortgagor

in relation to the Secured Liabilities (including any obligation to make any further advances).

16.3 New Accounts

(a) If any subsequent charge or other interest affects any Security Asset, the Lender may open a new account with the Chargor.

(b) If the Lender does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.

(c) As from that time all payments made to the Lender will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

16.4 Time deposits

Without prejudice to any right of set-off the Lender may have, if any time deposit matures on any account the Chargor has with the Lender within the Security Period when:

(a) this Security has become enforceable; and

(b) no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which the Lender considers appropriate.

16.5 Payments without deduction

All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

16.6 Currency conversion

(a) For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Lender may convert any moneys received or recovered by the Lender from one currency to another, at a market rate of exchange.

(b) The obligations of the Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

16.7 Notice to Chargor

This Deed constitutes notice in writing to the Chargor of any charge or assignment of a debt owed by the Chargor to any Guarantor or Chargor and contained in any other security document.

Release

At the end of the Security Period, unless any third party has any subrogation or other rights in respect of the Security created by this Deed at that time, the Lender must, at the request and cost of the Chargor, take whatever action is necessary to release its Security Assets from this Security.

Costs and expenses

The Chargor shall pay the Lender on demand (and on a full indemnity basis) all costs, charges and expenses properly incurred by the Lender and/ or the Receiver in relation to this Deed including (without limitation) the amount of all costs, charges, liabilities and expenses (including legal, professional and out-of-pocket fees and expenses and any taxes (such as value added tax) on such costs and expenses) which the Lender and/or any Receiver incurs in connection with:

(a) any actual or proposed amendment of, waiver or consent under or in connection with this Deed;

(b) any discharge or release of the Lender's Security;

(c) the preservation or exercise (or attempted preservation or exercise) of any rights under or in connection with, and the enforcement (or attempted enforcement) of any of the Lender's rights under this Deed;

(d) obtaining payment of the Secured Liabilities;

(e) dealing with or obtaining advice about any other matter or question arising out of or in connection with this Deed; and

(f) the perfection of the Security,

Default Interest shall be payable in addition to the costs, charges and expenses described in this Clause. Default Interest shall accrue from the date the Lender incurs the relevant outlay to the date of reimbursement.

Assignment, transfer or novation

(a) The Lender may assign, transfer or novate any of its rights under this Deed to any person in any manner that it sees fit.

(b) The Chargor shall not assign, transfer or novate any of its rights under this Deed to any person.

Notices

20.1 Addresses and delivery

Any demand, notice or communication in respect of this Deed shall be in writing and, without prejudice to any other valid means of service, may be served personally or sent by first class post or facsimile transmission to the Mortgaged Property or the registered address of the Chargor or to the last known place of business of the Chargor or to the Chargor's solicitor and will be deemed to be served (if served personally) when served or (if sent by post) 48 hours after posting or (if sent by facsimile) on receipt of an appropriate facsimile transmission report.

20.2 Electronic mail

Any demand, notice or communication in respect of this Deed may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if the Lender and Chargor:

(a) agree in writing that, unless and until notified to the contrary, this is to be an accepted form of communication;

(b) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and

(c) notify each other of any change to their address or any other such information supplied by them by not less than five business days' notice.

Any such electronic communication as specified in paragraph (c) above will be served only when actually received (or made available) in readable form. Any electronic communication which is received after 5:00 p.m. shall be deemed only to become served on the following day.

20.3 English language

(a) Any notice given under or in connection with this Deed must be in English.

(b) All other documents provided under or in connection with this Deed must be:

(i) in English; or

(ii) if not in English, and if so required by the Lender accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

Calculations and certificates

21.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Lender are *prima facie* evidence of the matters to which they relate.

21.2 Certificates and determinations

Any certification or determination by the Lender of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

Partial invalidity

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

Amendments and waivers

Any term of this Deed may be amended or waived only with the previous written consent of the Chargor and the Lender.

Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

Governing law and enforcement

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law and subject to the exclusive jurisdiction of the courts of England and

Wales. This paragraph shall not prevent the Lender from having recourse to the courts of any competent jurisdiction for the purposes of enforcing any judgment.

THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed.

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Schedule 1 – Mortgaged Property

Description and address	Title number
15 Market Place, Knaresborough, HG5 8AL	NYK363482
17 Park Row, Knaresborough, HG5 0BJ	NYK202891

Schedule 2- Forms of Letter for Occupational Tenants

Part 1– Notice to Occupational Tenant

To: [Occupational tenant]

Copy: [Lender]

[Date]

Dear Sirs,

Re: [Property address]

Legal Mortgage dated ** between [Chargor] and [Lender] (the Legal Mortgage)

We refer to the lease dated ** and made between ** and ** (together with any future lease we may enter into with you in relation to any part of [*insert details of the Mortgaged Property*], the **Lease**).

This letter constitutes notice to you that under the Legal Mortgage we have assigned [absolutely][1] (by way of security) to [insert name of Lender] (the **Lender**) all our rights under the Lease.

We confirm that:

(a) we will remain liable under the Lease to perform all the obligations assumed by us under the Lease; and

(b) none of the Lender, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Lease.

[We will also remain entitled to exercise all our rights, powers and discretions under the Lease, and you should continue to give notices under the Lease to us, unless and until you receive notice from the Lender to the contrary stating that the security under the Legal Mortgage has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and all notices must be given to, the Lender or as it directs].[2]

We irrevocably instruct and authorise you to pay all rent and all other moneys payable by you under the Lease to our account [with the Lender] at ** , Account No. ** , Sort Code ** (the **Rent Account**).

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[1] Solicitors note: only include the reference to "absolutely" if this notice is being served at the request of the Lender in any circumstances where the occupational tenants should be dealing directly with the Lender and not the Chargor.

[2] Solicitors note: this paragraph should not be included in any notice served at the request of the Lender following any circumstances where the occupational tenants should be dealing directly with the Lender and not the Chargor.

The instructions in this letter apply until you receive notice from the Lender to the contrary and notwithstanding any previous instructions given by us.

The instructions in this letter may not be revoked or amended without the previous written consent of the Lender.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Lender at [insert address] with a copy to us.

Yours faithfully,

.....

(Authorised Signatory)

Chargor

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Part 2 – Acknowledgement of Occupational Tenant

To: [Lender]

Attention: **

[Date]

Dear Sirs,

Re: [Property address]

Legal Mortgage dated ** between [Chargor] and [Lender] (the Legal Mortgage)

We confirm receipt from [Chargor] (the Chargor) of a notice dated ** (the **Notice**) in relation to the Lease (as defined in the Notice).

We confirm that we:

(a) accept the instructions contained in the Notice and agree to comply with the Notice;

(b) have not received any notice of any prior security over the Lease or that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease;

(c) must pay all rent and all other moneys payable by us under the Lease into the Rent Account (as defined in the Notice); and

(d) must continue to pay those moneys into the Rent Account (as defined in the Notice) until we receive your written instructions to the contrary.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

For

[Occupational tenant]

Schedule 3 –Forms of Letter for Insurers

Part 1– Notice to Insurer

To: [Insurer]

Copy: [Lender]

[Date]

Dear Sirs,

Legal Mortgage dated ** **between [Chargor] and [Lender] (the Legal Mortgage)**

This letter constitutes notice to you that under the Legal Mortgage we have assigned absolutely (by way of security), to [Lender] (the **Lender**) all our rights in respect of [insert details of contract of insurance] (the **Insurance**).

We confirm that:

(a) we will remain liable under the Insurance to perform all the obligations assumed by us under the Insurance; and

(b) none of the Lender, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Insurance (unless, and to the extent, otherwise expressly provided for in the Insurance).

We will also remain entitled to exercise all our rights, powers and discretions under the Insurance, and you should continue to give notices and make payments under the Insurance to us (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Lender in respect of the Insurance), unless and until you receive notice from the Lender to the contrary stating that the security under the Legal Mortgage has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Lender or as it directs (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Lender in respect of the Insurance).

We irrevocably instruct and authorise you to disclose to the Lender any information relating to the Insurance requested from you by the Lender.

The instructions in this letter may not be revoked or amended without the previous written consent of the Lender.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Lender at [address] with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

[Chargor]

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Part 2 – Acknowledgement of insurer

To: [Lender]

Copy: [Chargor]

[Date]

Dear Sirs,

Legal Mortgage dated ** between [Chargor] and [Lender] (the Legal Mortgage)

We confirm receipt from [Chargor] (the Chargor) of a notice dated ** (the **Notice**) of an assignment on the terms of the Legal Mortgage of all the Chargor's rights in respect of [insert details of the contract of insurance] (the **Insurance**).

We confirm that we:

(a) accept the instructions contained in the Notice and agree to comply with the Notice; and

(b) will give notices and make payments under the Insurance as directed in the Notice.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

(Authorised signatory)

[Insurer]]

Schedule 4 – Forms of Letter for Other Contracts

Part 1 – Notice to Counterparty

To: [Contract Counterparty]

Copy: [Lender]

[Date]

Dear Sirs,

Legal Mortgage dated ** between [Chargor] and [Lender] (the Legal Mortgage)

This letter constitutes notice to you that under the Legal Mortgage we have [assigned (by way of security)]/[charged by way of a first fixed charge][3] to [Lender] (the **Lender**) all our rights in respect of [insert details of contract] (the **Contract**).

We confirm that:

1 we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and

2 none of the Lender, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract.

We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices and make payments under the Contract to us, unless and until you receive notice from the Lender to the contrary stating that the security under the Legal Mortgage has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Lender or as it directs.

We irrevocably instruct and authorise you to disclose to the Lender any information relating to the Contract requested from you by the Lender.

The instructions in this letter may not be revoked or amended without the previous written consent of the Lender.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Lender at [address] with a copy to us.

[3] Delete as applicable.

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Yours faithfully,

.....

(Authorised signatory)

[Chargor]

Part 2 – Acknowledgement of Counterparty

To: [Lender]

Copy: [Chargor]

[Date]

Dear Sirs

Legal Mortgage dated ** between [Chargor] and [Lender] (the Legal Mortgage)

We confirm receipt from [Chargor] (the Chargor) of a notice dated ** (the **Notice**) of [an assignment]/ [fixed charge][4] on the terms of the Legal Mortgage of all the Chargor's rights in respect of [insert details of the contract] (the **Contract**).

We confirm that we:

(a) accept the instructions contained in the Notice and agree to comply with the Notice; and

(b) will give notices and make payments under the Contract as directed in the Notice.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

(Authorised signatory)

[Contract counterparty]

[4] Delete as applicable.

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Signatories

Executed as a deed by)
ADAPTED DEVELOPMENTS LTD acting by a-)
NSL JAMES ANTHONY MCMILLAN .....
a director in the presence of:)

Signature of witness: .....

Name of witness (in BLOCK CAPITALS): JENNIFER KIRKHOPE

Address 5 GRIMSALD CRAG COURT
KNARESBOROUGH
HG5 8QB

Signed for and on behalf of)
FERN TRADING GROUP LIMITED)