



Registration of a Charge

Company name: **GALENA ROAD LIMITED**

Company number: **09769647**



X4IZN8GH

Received for Electronic Filing: **28/10/2015**

Details of Charge

Date of creation: **26/10/2015**

Charge code: **0976 9647 0002**

Persons entitled: **TITLESTONE PROPERTY LENDING LIMITED**

Brief description: **36 GALENA ROAD, HAMMERSMITH, LONDON W6 0LT AND REGISTERED
AT THE LAND REGISTRY WITH TITLE NUMBER NGL615801**

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: **HILL DICKINSON LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9769647

Charge code: 0976 9647 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th October 2015 and created by GALENA ROAD LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th October 2015 .

Given at Companies House, Cardiff on 29th October 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 *26 October* 2015

LEGAL CHARGE

between

(1) Galena Road Limited

And

(2) Titlestone Property Lending Limited

Relating to

36 Galena Road, Hammersmith, London W6 0LT

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DATE:

26 October

2015

PARTIES:

- (1) **GALENA ROAD LIMITED** a company incorporated and registered in England and Wales (registered number 09769647) whose registered address is at Upper Floors, 99 Clapton Common, London, England, E5 9AB (the **Chargor**); and
- (2) **TITLESTONE PROPERTY LENDING LIMITED** a company incorporated and registered in England and Wales (registered number 08144104) whose registered address is at 40 Gracechurch Street, London, EC3V 0BT (the **Chargee**).

IT IS AGREED

1 DEFINITIONS AND INTERPRETATION

- 1.1 In this charge the following definitions will apply:

Business: any business, trade, operations or activities conducted on or from the Property;

Business Day: any day (other than a Saturday, Sunday or public holiday) during which clearing banks in the City of London are open for normal business;

Charged Assets: all property and assets from time to time charged by or pursuant to this charge (and references to the Charged Assets shall include any part of them);

Default Interest: any interest accruing in accordance with clause 3;

Default Rate: fourteen percent (14%) per annum;

Delegate: any delegate, agent, attorney or trustee appointed by the Chargee;

Environmental Claim:

- (a) any claim, order, notice or other communication received by the Chargor alleging failure to comply with any Environmental Law or alleging liability under it; or
- (b) any indication that any charge is or may be imposed under any Environmental Law on the Charged Assets; or
- (c) any indication given to the Chargor that the Charged Assets are or may be listed in any register of contaminated land or similar register;

Environmental Law: all laws, directions and regulations and all codes of practice, circulars and guidance notes issued by any competent authority or agency (whether in the United Kingdom or elsewhere and whether or not having the force of law) concerning the protection of the environment or human health, including the conservation of natural resources, the production, storage, transportation, treatment, recycling or disposal of any waste or any noxious, offensive or dangerous substance or the liability of any person, whether civil or criminal, for any damage to or pollution of the environment or its rectification or any related matters;

Environmental Permit: any permit, licence, authorisation, consent or other approval required by any Environmental Law;

Event of Default:

- (a) has the meaning given to that term in the Facility Letter; and/or
- (b) the Chargor fails to pay all or any of the Secured Liabilities following a demand for payment by the Chargee made in accordance with the terms of the Finance Documents;

Facility Letter: the facility letter dated 16 October 2015 and made between (1) the Chargor (as borrower) and (2) the Chargee (as lender) pursuant to which the Chargee has agreed to make certain facilities available to the Chargor;

Finance Documents: this charge, the Facility Letter, the Security Documents and any other agreement or document designated as a Finance Document by the Chargor and the Chargee from time to time;

Indemnified Party: has the meaning given to that term in clause 23.3 of this charge.

Insurances: any policies of insurance in respect of or in relation to the Charged Assets in which the Chargor has an interest from time to time;

LPA: the Law of Property Act 1925;

Party: a party to this charge;

Planning Acts: the Town and Country Planning Acts 1990 and the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004 and any regulations made pursuant to those

Acts;

Property: the property described in the schedule together with the benefit of all rights, easements and privileges in relation to such property;

Receiver: any receiver, manager or receiver and manager appointed by the Chargee under this charge;

Required Insurances: has the meaning given to that term in clause 8.1 of this charge;

Secured Liabilities: all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or as principal debtor, guarantor, surety or in any other capacity whatsoever or as the equivalent obligor under the laws of any other jurisdiction) of the Chargor to the Chargee under the Finance Documents, including any obligations and liabilities of the Chargor to third parties assigned, novated or otherwise vested in the Chargee together with (i) all interest (including Default Interest), fees, costs, charges and expenses which the Chargee may charge or incur under the Finance Documents; (ii) all obligations and liabilities arising under or in connection with any refinancing, novation, refunding, deferral or extension of any obligations or liabilities under the Finance Documents; and (iii) any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings, provided that no obligation or liability shall be included in this definition of Secured Liabilities to the extent that, if it were so included, this charge (or any part of it) would constitute unlawful financial assistance within the meaning of sections 678 and 680 of the Companies Act;

Security: a mortgage, charge, pledge, trust, assignment by way of security, lien, hypothecation or other encumbrance, arrangement or security interest securing any obligation of any person or any other agreement or arrangement having a similar effect or any title retention rights or set-off rights created by agreement; and

Security Documents: has the meaning given to that term in the Facility Letter.

1.2 In this charge, a reference to:

1.2.1 a clause or the schedule is, unless otherwise stated, a reference to a clause of, or the schedule to, this charge;

1.2.2 a provision of law includes a reference to that provision as

replaced, modified or re-enacted from time to time and any subordinate legislation made under that statutory provision from time to time, in each case whether before or after the date of this charge;

- 1.2.3 a person includes any individual, firm, company, corporation, government, state or agency of state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
 - 1.2.4 a **Party**, the **Chargor**, or the **Chargee** shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
 - 1.2.5 **disposal** includes any sale, transfer, assignment, grant, lease, licence, declaration of trust or other disposal, whether voluntary or involuntary and **dispose** will be construed accordingly;
 - 1.2.6 a company shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established; and
 - 1.2.7 this charge or any provision of this charge or any other agreement, document or instrument is to this charge, that provision or that agreement, document or instrument as amended, novated, supplemented, extended or restated.
- 1.3 The schedule forms part of this charge and has the same effect as if expressly set out in the body of this charge and shall be interpreted and construed as though it were set out in this charge.
 - 1.4 The contents table and headings in this charge are for convenience only and do not affect the interpretation or construction of this charge.
 - 1.5 Words importing the singular include the plural and vice versa and words importing a gender include every gender.
 - 1.6 The words **other**, **include**, **including** and **in particular** do not limit the generality of any preceding words and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible.
 - 1.7 For the purposes of section 2 Law of Property (Miscellaneous Provisions) Act 1989, the terms of any facility or loan agreement and of any side letters between any parties in relation to any such agreement are incorporated into

this charge.

2 COVENANT TO PAY

The Chargor covenants with the Chargee that it will pay or discharge on demand the Secured Liabilities when they fall due.

3 DEFAULT INTEREST

3.1 Any amount which is not paid under this charge when due shall bear interest (both before and after judgment and payable on demand) from the due date (or, in the case of costs, fees or expenses incurred, from the date they are so incurred) until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the Default Rate.

3.2 Default Interest will be calculated on the basis of the actual number of days elapsed and a year of three hundred and sixty five (365) days and will be compounded at monthly intervals.

4 CHARGES

4.1 Fixed charges

As a continuing security for the payment of the Secured Liabilities, the Chargor hereby, with full title guarantee, charges, in favour of the Chargee the following assets which are at any time owned by the Chargor or which it is from time to time interested:

4.1.1 by way of **first legal mortgage**, the Property, together with all buildings and fixtures (including trade fixtures) at any time thereon;

4.1.2 by way of **first fixed charge** all proceeds of sale derived from any Property or any buildings, fixtures or fittings (including trade fixtures and fittings) at any time on or attached to the Property, the benefit of all covenants given in respect of the Property or any such buildings, fixtures or fittings and all licences to enter upon or use land and the benefit of all other agreements relating to land;

4.1.3 to the extent not effectively assigned pursuant to clause 4.2 by way of **first fixed charge** all rights and interests of the Chargor in, and claims under, the Insurances and all proceeds of such Insurances held by, or written in favour of, the Chargor or in which the Chargor is otherwise interested;

4.1.4 by way of **first fixed charge** all of the Chargor's goodwill in any Business; and

4.1.5 by way of **first fixed charge** the benefit of all licences, consents, agreements and authorisations held or utilised by the Chargor in connection with its Business or the use of any of its assets.

4.2 **Assignment**

As a continuing security for the payment of the Secured Liabilities, the Chargor hereby, with full title guarantee, **assigns and agrees to assign** absolutely in favour of the Chargee all the rights, title, interest and benefit of the Chargor in and to the Insurances (together with all proceeds of such Insurances).

5 **NEGATIVE PLEDGE**

The Chargor covenants with the Chargee that, during the continuance of the security created by this charge, it shall not without the prior written consent of the Chargee:

5.1 create, purport to create or permit to subsist any Security (other than any Security granted in favour of the Chargee) upon any of the Charged Assets; or

5.2 sell, transfer, lease, licence, lend, part possession with, grant any interest in, or otherwise dispose of, whether by a single transaction or a number of transactions and whether related or not, the whole or any part of the Charged Assets.

6 **REPRESENTATIONS AND WARRANTIES**

6.1 The Chargor represents and warrants to the Chargee that:

6.1.1 **Status**

6.1.1.1 it is a limited company duly organised, validly existing and registered under the relevant laws of its jurisdiction of incorporation;

6.1.1.2 it has the power and all necessary governmental and other consents, approvals, licences and authorities to own its assets and carry on the Business;

6.1.2 **Authority and binding obligations**

6.1.2.1 it is empowered to enter into and perform its

obligations contained in this charge and has taken all necessary action to authorise the execution, delivery and performance of this charge, to create the security to be constituted by this charge and to observe and perform its obligations under this charge;

6.1.2.2 the obligations expressed to be assumed by it in this charge are legal, valid, binding and enforceable obligations;

6.1.3 Non-conflict with other obligations

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

6.1.3.1 any law or regulation applicable to it;

6.1.3.2 its constitutional documents; or

6.1.3.3 any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument;

6.1.4 Property

it is the legal and beneficial owner of the Property; and

6.1.5 Environmental matters

6.1.5.1 the Chargor has complied with all Environmental Laws and Environmental Permits applicable to the Charged Assets;

6.1.5.2 there has been no discharge, spillage, release or emission of any prescribed, dangerous, noxious or offensive substance or any controlled waste on, into or from any Charged Asset or any adjoining premises and no such substances or any controlled waste have been stored or disposed of on any Charged Asset or, so far as the Chargor is aware, in any adjoining premises except in accordance with the requirements of the applicable Environmental Laws; and

- 6.1.5.3 it is not in breach of and has not incurred or become subject to any civil or criminal liability under any Environmental Laws or the terms of any Environmental Permit and it has not done anything or omitted to do anything which could result in any liability being imposed on the Chargee under any Environmental Law.

7 GENERAL COVENANTS OF THE CHARGOR

The Chargor hereby covenants with the Chargee that it will:

7.1 Maintenance and use

keep all buildings and erections forming part of the Property in a good state of repair and keep all fixtures, fittings, drains, pipes, sanitary, water and other effects and services to or forming part of the Property in good working order and condition and ensure that the same is properly serviced in accordance with any relevant warranties or manuals.

7.2 Outgoings

duly and punctually pay all rates, rents, taxes, charges and other outgoings due by it in respect of the Property;

7.3 Inspection

permit the Chargee or its designated representatives to have, on reasonable notice, access during normal office hours to the Property to view, inspect examine and photograph it and all records maintained in connection with it;

7.4 Comply with statutes

in relation to the Property, comply with all obligations under any present or future statute, regulation, order and instrument or under any by-laws, regulations or requirements of any competent authority or other approvals, licences or consents and, if requested by the Chargee, produce to the Chargee, within fourteen (14) days of receipt of the same, every material notice, order or proposal given or made in relation to the Property by any competent authority and either comply with the same or make such objections and representations against the same as the Chargee may require or approve;

7.5 Comply with covenants

observe and perform all covenants and stipulations from time to time affecting any part of the Charged Assets, or the manner of use or the enjoyment of the same and shall not, except with the prior written consent of the Chargee, enter into any onerous or restrictive obligations affecting any part of the Charged Assets;

7.6 Conduct of business

carry on the Business on those parts (if any) of the Property as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in such type of trade or business;

7.7 Leases and Licences

7.7.1 enforce the Chargor's rights as landlord under any lease of the Property and perform the Chargor's obligations as landlord under any lease of the Property;

7.7.2 observe and perform all the lessee's covenants in any lease under which the Chargor holds the Property;

7.7.3 not, except with the prior written consent of the Chargee:

7.7.3.1 part with or share possession or occupation of the Property;

7.7.3.2 confer on any person any lease or other right or licence to occupy any land or buildings forming part of the Property or any licence to assign or sub-let any part of the Property;

7.7.3.3 forfeit, determine, accept or agree to accept the surrender of any lease in relation to the Property;

7.7.3.4 vary the terms of any lease or licence in relation to the Property;

7.7.3.5 agree any rent review of any lease or licence of the Property;

7.7.3.6 surrender or agree to surrender any leasehold interest held by it in relation to the Property or allow such interest to be forfeited;

7.7.3.7 create or permit to arise on the Property any interest having overriding effect; or

7.7.3.8 permit any person to become entitled to any right, easement, covenant or other matter which might adversely affect the use, value or marketability of the Property.

7.8 Environmental Law and Permits

7.8.1 comply with all Environmental Laws and obtain, maintain and comply with all Environmental Permits applicable to the Charged Assets and on the Chargee's request, provide it with copies of any Environmental Permits;

7.8.2 upon becoming aware of the same, notify the Chargee of any Environmental Claim made or threatened against the Chargor and any condition imposed pursuant to any Environmental Permit or Environmental Law which requires the Chargor to incur any capital expenditure or materially alter the nature or manner of conduct of the Business or which could, in the Chargee's opinion, materially reduce the value of the Charged Assets (or any of them); and

7.8.3 keep the Chargee informed of any steps taken or intended to be taken by the Chargor in respect of any of the matters referred to in clause 7.8.2 and give notice to the Chargee as soon as practicable of any new or additional requirements under any Environmental Law imposed on the Chargor or any Charged Asset;

7.9 Planning Acts

not carry out any development within the meaning of the Planning Acts in or upon the Charged Assets or any part of the Charged Assets without first obtaining such permissions as may be required under or by virtue of the Planning Acts and, in the case of any development involving a substantial change in the structure or a change of use of the Charged Assets or any part of the Charged Assets, without first obtaining the written consent of the Chargee (such consent not to be unreasonably withheld or delayed and provided that the Chargee acknowledges that the Chargor intends to change the use of the Property to residential use and to develop the same to create and sell residential apartments);

7.10 The Land Registry

in respect of the Property, apply to the Chief Land Registrar for the registration of a Restriction against the registered titles in the following terms:

"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 *26 October 2015* in favour of Titlestone Property Lending Limited referred to in the charges register."

8 INSURANCE

8.1 The Chargor hereby covenants with the Chargee that it will:

8.1.1 effect and maintain insurances at its own expense in respect of the Property with insurers previously approved by the Chargee in writing. Such insurances (the Required Insurances) shall:

8.1.1.1 provide cover against all risks which are normally and prudently insured against by other companies (or, as the case may be, limited liability partnerships) owning or possessing similar assets and carrying on similar businesses as the Chargee;

8.1.1.2 provide cover for site clearance, shoring or propping up, professional fees and value added tax together with adequate allowance for inflation;

8.1.1.3 provide cover against acts of terrorism, including any third party liability arising from such acts;

8.1.1.4 provide cover for loss of rent (in respect of a period of not less than three (3) years or, if longer, the minimum period required under any lease of the relevant Charged Asset) including provision for any increases in rent during the period of insurance;

8.1.1.5 be in such amounts as would in the circumstances be prudent for such companies (or, as the case may be, limited liability partnerships); and

8.1.1.6 be either in the names of the Chargor and the Chargee as co-insured on a composite basis or (at the

absolute discretion of the Chargee and as the Chargee may in any case require) have the interest of the Chargee as mortgagee noted as sole loss payee on the policies with effect from the date of this charge;

- 8.1.2 ensure that the Required Insurances are on such terms and contain such clauses as the Chargee may reasonably require and that the insurer agrees that the Required Insurances effected shall not be invalidated or prejudiced so far as the Chargee is concerned by any breach of the insuring conditions or other act or omission unknown by or beyond the control of the Chargee or any tenant, lessee or licensee of any of the Property;
 - 8.1.3 not do or permit to be done or omit to do anything which may render any Insurance void, voidable or unenforceable (in whole or in part) and will not vary, amend or terminate any policy for Required Insurance; and
 - 8.1.4 ensure that the insurers are obliged to give at least thirty (30) days' notice to the Chargee if any insurer proposes to repudiate, rescind or cancel any Required Insurance, to treat it as avoided in whole or in part, to treat it as expired due to non-payment of premium or otherwise decline any valid claim under it by or on behalf of any insured party and must give the opportunity to rectify any such non-payment of premium within the notice period.
- 8.2 The Chargor must promptly notify the Chargee of:
- 8.2.1 the proposed terms of any future renewal of any of the Required Insurances;
 - 8.2.2 any amendment, supplement, extension, termination, avoidance or cancellation of any of the Required Insurances made or, to its knowledge, threatened or pending;
 - 8.2.3 any claim, and any actual or threatened refusal of any claim, under any of the Required Insurances; and
 - 8.2.4 any event or circumstance which has led or may lead to a breach by the Chargor of any term of this clause.
- 8.3 The Chargor must ensure that:
- 8.3.1 each premium for the Required Insurances is paid promptly and in any event prior to the commencement of the period of insurance

for which that premium is payable;

- 8.3.2 all other things necessary are done so as to keep each of the Required Insurances in force; and
 - 8.3.3 a copy of each policy in respect of each Required Insurance is supplied to the Chargee promptly on request, together with the current premium receipts relating to it.
- 8.4 If default shall at any time be made by the Chargor in effecting or keeping up the Required Insurances or in producing any such policy or receipt to the Chargee on demand, the Chargee may take out or renew such policies of insurance in any sum which the Chargee may reasonably think expedient and all monies expended by the Chargee in doing so shall be deemed to be properly paid by the Chargee, and shall be reimbursed by the Chargor on demand and shall bear Default Interest at the Default Rate.
- 8.5 All claims and monies received or receivable under any Required Insurances shall be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or, if required by the Chargee, in permanent reduction of the Secured Liabilities in such order as the Chargee sees fit.

9 ENFORCEMENT OF SECURITY

- 9.1 The security constituted by this charge shall become immediately enforceable upon the occurrence of an Event of Default and the Chargee may, in its absolute discretion, enforce all or any part of the security constituted by this charge in such manner as it sees fit.
- 9.2 The power of sale and other powers conferred by section 101 LPA (as varied or extended by this charge) shall arise on and be exercisable without further notice at any time after the execution of this charge, but the Chargee shall not exercise such power of sale or other powers until the security constituted by this charge has become enforceable under clause 9.1. Sections 93 and 103 LPA do not apply to the security constituted by this charge.

10 REDEMPTION OF PRIOR SECURITY

At any time after the security created under this charge has become enforceable, the Chargee may, at the sole cost of the Chargor (payable to the Chargee on demand) redeem any prior Security over any Charged Asset and/or procure the transfer of that Security to itself and/or settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall be conclusive and binding

on the Chargor. All money paid by the Chargee to such prior mortgagee, chargee or encumbrancer in accordance with such accounts shall form part of the Secured Liabilities.

11 APPOINTMENT AND POWERS OF RECEIVER

11.1 At any time after the security constituted by this charge becomes enforceable, or if so requested by the Chargor by written notice at any time, the Chargee (or any Delegate on its behalf) may:

11.1.1 without further notice appoint any person (or persons) to be a Receiver of all or any part of the Charged Assets and/or of the income from any Charged Asset; and/or

11.1.2 exercise in respect of all or any of the Charged Assets all or any of the powers and remedies given to mortgagees by the LPA, including the power to take possession of, receive the benefit of, or sell any of the Charged Assets.

11.2 The Chargee may remove from time to time any Receiver appointed by it and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated for whatever reason.

11.3 If at any time and by virtue of any such appointment there is more than one Receiver of all or any part of the Charged Assets and/or the income from such Charged Assets, such persons shall have power to act individually (unless the contrary shall be stated in the deed(s) or other instrument(s) appointing them).

11.4 If the Chargee enforces this charge itself pursuant to clause 11.1.2 it will have the same powers as a Receiver in respect of those Charged Assets which are the subject of the enforcement.

11.5 Any Receiver shall (in addition to the powers conferred by the LPA and (notwithstanding that he is not an administrative receiver) schedule 1 to the Insolvency Act 1986 but without any of the restrictions imposed upon the exercise of those powers by such statutes) have the following powers:

11.5.1 the same powers to do, or to omit to do, in the name of and on behalf of the Chargor, anything which the Chargor itself could have done or omitted to do with such Charged Assets were they not the subject of this charge and the Chargor were not in insolvency proceedings;

- 11.5.2 to take possession of, collect and get in all or any part of the Charged Assets and/or income in respect of which he was appointed;
- 11.5.3 to manage the Charged Assets and the business of the Chargor;
- 11.5.4 to redeem any security and to borrow or raise any money and secure the payment of any money in priority to the Secured Liabilities for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- 11.5.5 to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor is concerned or interested prior to his appointment, being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land;
- 11.5.6 to sell or concur in selling, leasing or otherwise disposing of all or any part of the Charged Assets in respect of which he was appointed without the need to observe any restriction imposed by section 103 or 109 LPA;
- 11.5.7 to carry out any sale, lease or other Disposal of all or any part of the Charged Assets by conveying, transferring, assigning or leasing the same in the name of the Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor;
- 11.5.8 to lease, make agreements for leases, accept surrenders of leases and grant options as the Chargee shall think fit and without the need to comply with any of the provisions of sections 99 and 100 LPA;
- 11.5.9 to take any such proceedings, in the name of the Chargor or otherwise, as he shall think fit in respect of the Charged Assets and/or income in respect of which he was appointed, including proceedings for recovery of rent or other monies in arrears at the date of his appointment;
- 11.5.10 to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- 11.5.11 to insure, and renew any insurances in respect of, the Charged

Assets as he shall think fit, or as the Chargee shall direct;

- 11.5.12 to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit, including, without prejudice to the generality of the foregoing power, to employ his partners and firm;
 - 11.5.13 to operate any rent review clause in respect of any Property in respect of which he was appointed or any part of such Property and to apply for any new or extended lease; and
 - 11.5.14 to do all such other things as may seem to him to be incidental or conducive to any other power vested in him in the realisation of the security constituted by this charge.
- 11.6 In making any sale or other disposal in the exercise of their respective powers, the Receiver, the Chargee or any Delegate may accept, as and by way of consideration for such sale or other Disposal, cash, shares, loan capital or other obligations, including consideration fluctuating according to or dependent upon profit or turnover and consideration the amount of which is to be determined by a third party. Any such consideration may be receivable in a lump sum or by instalments and upon receipt by the Receiver, Chargee or any Delegate shall be and become charged with the payment of the Secured Liabilities. Any contract for any such sale or other disposal by the Receiver, the Chargee or any Delegate may contain conditions excluding or restricting the personal liability of the Receiver, the Chargee and any Delegate.
- 11.7 Any Receiver appointed under this charge shall be the agent of the Chargor and the Chargor shall be solely responsible for his acts and defaults and for his remuneration.
- 11.8 Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Chargee (or failing such agreement to be fixed by the Chargee) without the restrictions contained in section 109 LPA.
- 11.9 Only monies actually paid by a Receiver to the Chargee in satisfaction or discharge of the Secured Liabilities shall be capable of being applied by the Chargee in satisfaction of the Secured Liabilities.
- 11.10 Neither the Chargee nor any Receiver or Delegate shall be liable in respect of all or any part of the Charged Assets or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the

failure to exercise any of, their respective powers, unless such loss or damage is caused by its or his gross negligence or wilful misconduct.

- 11.11 To the extent they are not a Charged Asset, at the expense of the Chargor and as agent of the Chargor, the Chargee or any Receiver or Delegate may remove, store, preserve, use, dispose (on such terms and subject to such conditions as the Chargee sees fit) or otherwise deal with any moveable items at the Property which the Chargor shall have refused or failed to remove within seven (7) days of being requested to do so by the Chargee or any Receiver or Delegate without liability to the Chargor for any loss in connection with such disposal. The Chargor shall keep the Chargee and any Receiver or Delegate indemnified against all costs, claims, and demands whatsoever in respect of the removal, storage, preservation, use, disposal or other dealing with any such moveable items. The Chargee, Receiver or Delegate (as the case may be) shall pay the net proceeds of sale (after deduction of the costs of removal, storage, preservation, sale or disposal) to the Chargor. Neither the Chargee nor any Receiver or Delegate shall be liable to the Chargor for any act or omission by any person appointed to effect such sale or for any failure to obtain a proper price provided such appointment has been made by the Chargee, Receiver or Delegate in good faith and neither the Chargee nor any Receiver or Delegate shall be liable for any damage caused to the moveable items.
- 11.12 Without prejudice to the generality of clause 11.10, entry into possession of the Charged Assets shall not render the Chargee or the Receiver or any Delegate liable to account as mortgagee in possession and if and whenever the Chargee or any Receiver or Delegate enters into possession of the Charged Assets, it shall be entitled at any time at its discretion to go out of such possession.
- 11.13 All or any of the powers which are conferred by this charge on a Receiver may be exercised by the Chargee or any Delegate without first appointing a Receiver or notwithstanding the appointment of any Receiver.
- 11.14 Except to the extent provided by law, none of the powers described in this clause 11 will be affected by an insolvency event in relation to the Chargor.

12 APPLICATION OF PROCEEDS

- 12.1 All monies received by the Chargee or any Receiver or Delegate appointed under this charge shall (subject to the rights and claims of any person having Security ranking in priority to the Security constituted by this charge) be applied in or towards the discharge of the Secured Liabilities in such order as the Chargee may, in its absolute discretion determine.

- 12.2 The provisions of clause 12.1 shall take effect as and by way of variation and extension to the provisions of Section 109 LPA, which provisions as so varied and extended shall be deemed incorporated in this charge.

13 PROTECTION OF THIRD PARTIES

No purchaser from or other person dealing with the Chargee or with any Receiver or Delegate shall be obliged or concerned to enquire whether the right of the Chargee to appoint a Receiver or Delegate or the right of the Chargee or any Receiver or Delegate to exercise any of the powers conferred by this charge in relation to the Charged Assets or any part of the Charged Assets have arisen or become exercisable by the Chargee or by any such Receiver or Delegate, nor be concerned with notice to the contrary, nor with the propriety of the exercise or purported exercise of any such powers and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters.

14 CLAWBACK

- 14.1 Any release, discharge or settlement between the Chargor and the Chargee shall be deemed conditional upon no payment or security received by the Chargee 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 or receivership and, notwithstanding any such release, discharge or settlement, the Chargee shall be entitled to recover the value or amount of such Security or payment from the Chargor or to enforce this charge as if such release, discharge or settlement had not occurred.
- 14.2 If any claim of the kind referred to in clause 14.1 is made against the Chargee under insolvency laws, the Chargee may agree the claim or settle it on any terms it chooses without asking for the Chargor's agreement. If the Chargee does agree or settle the claim, the Chargor will be liable under this charge as if a court order had been made containing the terms the Chargee has agreed. The Chargor will be responsible for all costs and expenses the Chargee properly incurs defending such a claim.

15 WAIVER OF RIGHTS

- 15.1 The obligations of the Chargor under this charge will not be affected by:
- 15.1.1 any time, waiver or consent granted to, or composition with the Chargor or any other person;
 - 15.1.2 any incapacity or lack of power, authority or legal personality of or

change in the constitution, members or status of the Chargor or any other person or any defective or excessive exercise of the Chargor's powers or authority;

- 15.1.3 any insolvency, bankruptcy, liquidation, administration, winding-up, dissolution, limitation, disability, the discharge by operation of law or any similar proceedings in respect of the Chargor or any other person;
- 15.1.4 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) termination or replacement of the Secured Liabilities or any document, guarantee or Security related to the Secured Liabilities;
- 15.1.5 any unenforceability, illegality, invalidity, irregularity or frustration of any obligation (actual or purported) of any person under this charge or any other document, guarantee or Security held in connection with the Secured Liabilities; or
- 15.1.6 any other act, omission or circumstance which but for this provision, might operate to exonerate or discharge the Chargor or otherwise reduce or extinguish its liability under this charge.

16 CONTINUING SECURITY AND CHARGEES PROTECTIONS

- 16.1 This charge shall remain in full force and effect as a continuing security until the Chargee shall have certified in writing that the Secured Liabilities have been discharged in full and the Chargee may make one or more demands under this charge.
- 16.2 This charge shall be in addition to, and without prejudice to and shall not merge with, any other right, remedy, guarantee or Security which the Chargee may at any time hold in respect of any of the Secured Liabilities and this charge may be enforced without the Chargee first having:
 - 16.2.1 recourse to any other right, remedy, guarantee or Security held or available to it;
 - 16.2.2 to take action or obtain judgment in any court against the Chargor or any other person;
 - 16.2.3 to make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Chargor or any other person; or
 - 16.2.4 to make demand, enforce or seek to enforce any claim, right or

remedy against the Chargor or any other person.

17 FURTHER ASSISTANCE

17.1 The Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Chargee may reasonably specify (and in such form as the Chargee may reasonably require in favour of the Chargee or its nominee(s)):

17.1.1 to create, perfect, protect or maintain the Security created or intended to be created under or evidenced by this charge (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this charge) or for the exercise of any rights, powers and remedies of the Chargee provided by or pursuant to any deed, document or agreement or by law; and/or

17.1.2 to facilitate the realisation of the assets which are, or are intended to be, the subject of this charge.

17.2 Any document required to be executed by the Chargor pursuant to clause 17.1 will be prepared at the cost of the Chargor

18 POWER OF ATTORNEY

18.1 The Chargor by way of security irrevocably appoints the Chargee and any Receiver or Delegate (in writing under hand signed by an officer of the Chargee or any Receiver or Delegate) severally to be its agents and attorneys in its name and on its behalf to:

18.1.1 do all things which the Chargor may be required to do under this charge;

18.1.2 sign, execute (using the company seal where appropriate), deliver and otherwise perfect any Security required to be signed or executed pursuant to the terms of this charge; and

18.1.3 sign, execute (using the company seal where appropriate), deliver and complete any deeds, instruments or other documents and to do all acts and things which may be required by the Chargee or any Receiver or Delegate in the exercise of any of their powers under this charge, or to perfect or vest in the Chargee, any Receiver or Delegate, its nominees or any purchaser, title to any Charged Assets or which they may deem expedient in connection

with the getting in, Disposal, or realisation of any Charged Assets.

- 18.2 Each agent and attorney may appoint a substitute or delegate his authority. The Chargor ratifies and confirms (and agrees to ratify and confirm) anything which an attorney does under the power of attorney conferred by clause 18.1.

19 NOTICE OF SUBSEQUENT SECURITY – NEW ACCOUNTS

- 19.1 If the Chargee receives notice (whether actual or otherwise) of any subsequent Security affecting any part of the Charged Assets and/or the proceeds of sale of the Charged Assets, it may open a new account or accounts for the Chargor in its books.
- 19.2 If the Chargee does not open a new account immediately on receipt of notice under clause 19.1, then (unless the Chargee gives express written notice to the contrary to the Chargor) all payments made by the Chargor to the Chargee shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt of the relevant notice by the Chargee.

20 CONSOLIDATION OF ACCOUNTS AND SET-OFF

- 20.1 The Chargee shall be entitled without notice to the Chargor (both before and after demand):
- 20.1.1 to combine or consolidate all or any sums of money now or hereafter standing to the credit of the then existing accounts (including each of the Collections Accounts) of the Chargor with the Chargee with the liabilities to the Chargee of the Chargor; and
- 20.1.2 to set-off or transfer any sum or sums standing to the credit of any one or more of such accounts in or towards satisfaction of any of the liabilities of the Chargor to the Chargee on any other account or in any other respect.
- 20.2 The liabilities referred to in this clause 20 may be actual, contingent, primary, collateral, several or joint liabilities, and the accounts, sums and liabilities referred to in this clause 20 may be denominated in any currency.
- 20.3 If the relevant obligation or liability is unliquidated or unascertained the Chargee may set-off the amount it estimates (in good faith) will be the final amount of such obligation or liability once it becomes liquidated or ascertained.

21 APPROPRIATION AND SUSPENSE ACCOUNT

- 21.1 Subject to clause 21.2, the Chargee may apply all payments received for the Secured Liabilities to reduce any part of those liabilities as it thinks fit.
- 21.2 All monies received, recovered or realised by the Chargee under this charge may at the discretion of the Chargee be credited to any suspense account for so long as the Chargee determines (with interest accruing thereon at such rate, if any, as the Chargee may determine for the account of the Chargor) without the Chargee having any obligation to apply such monies or any part of them in or towards the discharge of any of the Secured Liabilities.

22 PAYMENTS

- 22.1 Subject to clause 22.2, all payments to be made by the Chargor in respect of this charge, shall be made in immediately available funds to the credit of such account as the Chargee may designate. All such payments shall be made free and clear of, and without any deduction for, or on account of, any set-off or counterclaim or, except to the extent compelled by law, any deduction on account of any taxes.
- 22.2 If the Chargor is compelled by law to withhold or deduct any taxes from any sum payable under this charge to the Chargee, the sum so payable by the Chargor shall be increased so as to result in the receipt by the Chargee of a net amount equal to the full amount expressed to be payable under this charge.
- 22.3 Any demand, notification or certificate given by the Chargee specifying amounts due and payable under or in connection with any of the provisions of this charge shall, in the absence of manifest error, be conclusive and binding on the Chargor

23 COSTS, EXPENSES AND INDEMNITIES

- 23.1 The Chargor shall reimburse the Chargee, any Delegate and any Receiver in respect of all reasonable expenses, including reasonable legal, valuation, accountancy and consultancy fees (and any value added or similar tax thereon) incurred by the Chargee, any Delegate or any Receiver in connection with:
- 23.1.1 the negotiation, preparation, execution and completion of this charge, or any of the documents referred to herein; and

- 23.1.2 any actual or proposed amendment, replacement, restatement or extension of, or any waiver or consent under, this charge.
- 23.2 The Chargor shall reimburse the Chargee, any Receiver and any Delegate for all costs and expenses, including legal fees (and any value added or similar tax thereon) incurred in connection with the enforcement, attempted enforcement or preservation of any of their respective rights under this charge, or any of the documents referred to herein.
- 23.3 The Chargor will on demand indemnify the Chargee and any Receiver or Delegate and any of its and their officers and employees (each an **Indemnified Party**) in respect of all costs, losses (including consequential losses), actions, claims, expenses, demands or liabilities whether in contract, tort, or otherwise and whether arising at common law, in equity or by statute which may be incurred by, or made against any of them at any time relating to or arising directly or indirectly out of:
- 23.3.1 anything done or omitted to be done in the exercise or purported exercise of the powers contained in this charge;
- 23.3.2 a claim of any kind made or asserted against any Indemnified Party which would not have arisen if this charge had not been executed and/or registered;
- 23.3.3 the creation, imposition, recording or registration of any Security over any Charged Asset securing the reimbursement to or recovery by any third party (including without limitation any regulatory authority or government agency) of any costs expenses or other sums incurred in consequence of a breach contravention or violation of any Environmental Law or the release discharge or emission of any harmful or hazardous material and the redemption, removal, vacation or discharge of any such Security;
- 23.3.4 the making of any Environmental Claim against any Indemnified Party or the Chargor in respect of any Charged Asset and/or any business operations or activities thereon;
- 23.3.5 any liability or potential liability upon any Indemnified Party to remedy clean-up or make good any breach contravention or violation of any Environmental Law by the Chargor or any harm actual or potential to the environment caused directly or indirectly by any release emission or discharge of any harmful or hazardous material from in or to the Charged Assets; or

23.3.6 a breach by the Chargor of any of its obligations under this charge unless, in the case of clauses 23.3.1 and 23.3.2, it was caused by the negligence or wilful misconduct of the Indemnified Party.

23.4 No Indemnified Party shall in any way be liable or responsible to the Chargor for any loss or liability of any kind arising from any act or omission by it of any kind (whether as mortgagee in possession or otherwise) in relation to the Charged Assets, except to the extent caused by its own negligence or wilful misconduct.

23.5 The Chargor shall pay all present and future stamp, registration and similar taxes or charges which may be payable, or determined to be payable, in connection with the execution, delivery, performance or enforcement of this charge or any judgment given in connection therewith.

24 ASSIGNMENT AND TRANSFER

The Chargee may assign or transfer all or any part of its rights under this charge. The Chargor may not assign, transfer, charge, make the subject of a trust or deal in any other manner with this charge or any of its rights under this charge or purport to do any of the same without the prior written consent of the Chargee.

25 THIRD PARTY RIGHTS

25.1 Subject to clauses 25.2 and 25.3, a person who is not a Party shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or rely upon a provision of this charge. No Party may hold itself out as trustee of any rights under this charge for the benefit of any third party unless specifically provided for in this charge. This clause 25.1 does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to the Contracts (Rights of Third Parties) Act 1999.

25.2 Any person to whom the benefit of any provision of this charge is assigned in accordance with the terms of this charge is entitled under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this charge which confers (expressly or impliedly) any benefit on any such person.

25.3 Any Receiver or Delegate may, subject to the Contracts (Rights of Third Parties) Act 1999 rely on any clause of this charge which expressly confers rights on it.

25.4 Notwithstanding any other provision of this charge the Chargee and the Chargor may, by agreement in writing, rescind, terminate or vary any of the provisions in this charge or waive or settle any right or claim under it in any

way without the consent of any third party and, accordingly, section 2(1) Contracts (Rights of Third Parties) Act 1999 shall not apply.

26 NOTICES

26.1 Any notice given pursuant to this charge shall be in writing signed by, or on behalf of, the person issuing the notice. Any notice may be delivered by hand or by prepaid recorded delivery first class post:

26.1.1 in the case of the Chargor, its registered office address for the time being marked for the attention of Yisroel Kohn; and

26.1.2 in the case of the Chargee:

26.1.2.1 address: 40 Gracechurch Street, London EC3V 0BT

26.1.2.2 marked for the attention of: Robert Orr

or, in relation to any Party, such other address for service in the United Kingdom as that Party may from time to time notify to the other.

26.2 In the absence of evidence of earlier receipt and subject to clause 26.3, a notice served in accordance with clause 26.1 shall be deemed to have been received:

26.2.1 if delivered by hand, at the time of actual delivery to the address referred to in clause 26.1;

26.2.2 if delivered by prepaid recorded delivery first class post, two (2) Business Days from the date of posting.

26.3 If deemed receipt under clause 26.2 occurs on a day which is not a Business Day or after 5:00 pm on a Business Day, the relevant notice shall be deemed to have been received at 9:00 am on the next Business Day.

26.4 For the avoidance of doubt, notice given under this charge shall not be validly served if sent by fax or email.

27 GENERAL

27.1 No variation to this charge shall be effective unless made in writing and signed by or on behalf of all the parties to this charge. A waiver given or consent granted by the Chargee under this charge will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

- 27.2 Each provision of this charge is severable and distinct from the others. If at any time any provision of this charge is or becomes unlawful, invalid or unenforceable to any extent or in any circumstances for any reason, it shall to that extent or in those circumstances be deemed not to form part of this charge but (except to that extent or in those circumstances in the case of that provision) the legality, validity and enforceability of that and all other provisions of this charge shall not be affected in any way.
- 27.3 If any provision of this charge is found to be illegal, invalid or unenforceable in accordance with clause 27.2 but would be legal, valid or enforceable if some part of the provision were deleted, the provision in question shall apply with such modification(s) as may be necessary to make it legal, valid or enforceable.
- 27.4 The failure or delay in exercising a right or remedy provided by this charge or by law does not constitute a waiver of that (or any other) right or remedy. No single or partial exercise, or non-exercise or non-enforcement of any right or remedy provided by this charge or by law prevents or restricts any further or other exercise or enforcement of that (or any other) right or remedy.
- 27.5 The Chargee's rights and remedies contained in this charge are cumulative and not exclusive of any rights or remedies provided by law.
- 27.6 This charge may be executed in any number of counterparts each of which when executed and delivered shall be an original. All the counterparts together shall constitute one and the same document.

28 GOVERNING LAW AND JURISDICTION

- 28.1 This charge and any non-contractual obligations arising out of or in connection with it are governed by English law.
- 28.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this charge (including a dispute relating to the existence, validity or termination of this charge or any non-contractual obligation arising out of or in connection with this charge) (a **Dispute**).
- 28.3 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- 28.4 This clause is for the benefit of the Chargee only. As a result, the Chargee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Chargee may

take concurrent proceedings in any number of jurisdictions.

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

SCHEDULE 1

DETAILS OF THE PROPERTY

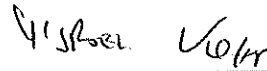
All that freehold property known as 36 Galena Road, Hammersmith, London W6 0LT and registered at the Land Registry with title number NGL615801.

Chargor

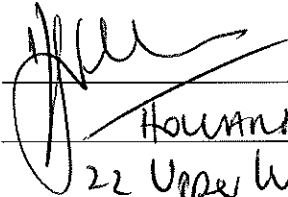
EXECUTED AS A DEED by GALENA)
ROAD LIMITED acting by a director in the)
presence of:)



Signature of director



Name of director (Print)



HOWARD FREEMAN

22 Upper Watson Place

Lender WCIH othw

Brewin

Witness signature

Witness name (Print)

Witness address

Witness occupation

Chargee

EXECUTED AS A DEED by TITLESTONE)
PROPERTY LENDING LIMITED acting by)
a director in the presence of:)

Signature of director

Name of director (Print)

Witness signature

Witness name (Print)

Witness address

Witness occupation

