



Registration of a Charge

LLP name: **SHENTONFIELD PROPERTIES LLP**

LLP number: **OC348923**



X529NXOP

Received for Electronic Filing: **07/03/2016**

Details of Charge

Date of creation: **26/02/2016**

Charge code: **OC34 8923 0003**

Persons entitled: **CLYDESDALE BANK PLC**

Brief description: **THE LEASEHOLD LAND BEING UNIT 66, SHENTONFIELD ROAD, MANCHESTER AND REGISTERED AT THE LAND REGISTRY WITH TITLE NUMBER MAN223153.**

Contains fixed charge(s).

Contains floating 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:

FREETHS LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

LLP number: OC348923

Charge code: OC34 8923 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th February 2016 and created by SHENTONFIELD PROPERTIES LLP was delivered pursuant to Part 25 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Application of Companies Act 2006) (Amendment) Regulations 2013 on 7th March 2016 .

Given at Companies House, Cardiff on 8th March 2016

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under the Limited Liability Partnership
(Application of the Companies Act 2006) Regulations 2009 SI 2009/1804



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

**LEGAL CHARGE - Limited Liability
Partnership**

by

Shentonfield Properties LLP

in favour of

**Clydesdale Bank PLC (trading as both
Clydesdale Bank and Yorkshire Bank)**

**Property: Unit 66, Shentonfield Road,
Manchester M22 4RW**

Date: 26 February 2016

LEGAL CHARGE
Dated 26 February 2015 by 6

Name: Shentonfield Properties LLP
Registered Number: OC348923
Registered Office: New Acre House, Shentonfield Road, Manchester M22 4RW
("the LLP")

in favour of:

Name: Clydesdale Bank PLC (trading as both Clydesdale Bank and Yorkshire Bank)
Company Number: SC001111
Registered Office: 30 St Vincent Place, Glasgow, G1 2HL
Details for Notices:
 Address: Business Lending Services, 20 Merrion Way, Leeds LS2 8NZ
 Fax: 0113 807 2448 (CB) / 0113 807 2359 (YB)
 Reference:

("the Bank")

over:

Acre House, Shentonfield Road, Wythenshaw, Manchester M22 4RW being the property more particularly described in the Schedule annexed and any part of it.

("the Property")

in respect of:

All present and future obligations and liabilities (including without limitation all sums of principal, interest and expenses) whether actual or contingent whether owed solely or jointly and whether as principal debtor, guarantor, cautioner, surety, indemnifier or otherwise (or the equivalent in any other relevant jurisdiction) of the LLP to the Bank; and in whatever manner and on any account.

("the Secured Liabilities")

Other defined terms used in this Legal Charge are as set out in Clause 24.

Form of charge filed at HM Land Registry under reference MD982N

1. Covenant to Pay

- 1.1 The LLP covenants with the Bank to pay and discharge the Secured Liabilities on demand to the Bank or as the Bank may direct:
 - 1.1.1 on the due date for payment or performance of the Secured Liabilities concerned as provided by the terms of any agreement or document constituting the same; and
 - 1.1.2 in the absence of any express provision for payment and performance of the Secured Liabilities concerned on written demand by the Bank.
- 1.2 The LLP agrees that if it fails to pay any part of the Secured Liabilities when due then such amount will bear interest (after as well as before judgement and payable on demand) at 6% over the Bank of England Base Rate as it may vary from time to time from the due date until paid in full.
- 1.3 The LLP agrees with the Bank that a certificate signed by or on behalf of the Bank as to the amount, calculation or nature of the Secured Liabilities or any part of them will, in the absence of manifest error, be conclusive and binding on the LLP.

2. The Charge

- 2.1 The LLP as security for the due and punctual payment and performance of the Secured Liabilities and with full title guarantee hereby charges to the Bank:
 - 2.1.1 by way of legal mortgage the Property (with the intent that the security hereby constituted shall extend to and include the LLP's full title interest in the Property or in the proceeds of sale thereof), together with all buildings and fixtures (including trade and tenant's fixtures) which are at any time on or attached to the Property. The LLP is solely and beneficially interested in the Property;
 - 2.1.2 by way of assignment all rental and other money payable under any lease, licence or other interest created in respect of the Property;
 - 2.1.3 by way of fixed charge all plant, machinery and other items legally and beneficially owned by the LLP, whether now or in the future;
 - 2.1.4 by way of fixed charge all rights and interest in and claims under all insurance contracts or policies now or in the future held and affecting the Property (including all money payable under them);
 - 2.1.5 by way of fixed charge any goodwill relating to the Property or the business or undertaking conducted at the Property;
 - 2.1.6 by way of fixed charge the entitlement of the LLP (by virtue of an estate or interest in the Property) to any share or shares in any company connected with the Property when issued and all rights, benefits and advantages at any time arising in respect of the shares and the LLP shall (if the Bank so requires) transfer such shares to the Bank or as the Bank shall direct and shall deposit certificates relating to the shares with the Bank; and
 - 2.1.7 by way of floating charge all moveable plant, machinery, furniture, furnishings, tools, equipment and other goods now or at any time after the date of this Legal Charge placed on or in, or used in connection with the Property or the business or undertaking conducted at the Property.

3. LLP's Covenants

The LLP hereby covenants with the Bank that the LLP will:

- 3.1 punctually pay or cause to be paid all rents, rates, taxes, assessments, levies, impositions and outgoings however imposed upon or payable in respect of the Property or its use as and when the same shall become payable;
- 3.2 keep all buildings, roads, pipes, wires, cables, drains, structures, plant, machinery and all fixtures and fittings and all other property now or for the time being in or upon the Property or used for the benefit of the Property in good and substantial repair and proper working order and replace the same when necessary, provided that the Bank may (but without being under any duty to do so) itself repair the Property and may for that purpose enter upon the Property without being deemed to have gone into possession thereof and the LLP shall be liable to the Bank for the expenses of the Bank in effecting repairs;
- 3.3 in respect of insurance in connection with the Property:
 - 3.3.1 at the expense of the LLP insure and keep insured the Property with insurers acceptable to the Bank against such risks and in such amounts and otherwise upon such terms as the Bank may require and failing such requirement, insured to the full reinstatement value thereof (including the cost of demolition and site clearance, architects, surveyors and other professional fees and value added tax and where the Property is let, an amount equal to the loss of rent under the lease for three years or such longer period as the Bank may require) against fire and all other risks against which similar property is from time to time normally insured or as the Bank may require and so that if the LLP fails to insure in accordance with this covenant, the Bank may (without being obliged so to do) itself insure and keep insured the Property and the LLP shall be liable to the Bank for the expenses of the Bank in effecting such insurance;
 - 3.3.2 at the option of the Bank procure that either (i) the interest of the Bank is noted upon all policies of such insurance unless the Bank agrees otherwise in writing or (ii) all policies of insurance are taken out in the joint names of the Bank and the LLP and in either case the LLP will ensure that such policies of insurance shall contain such provisions for the protection of the Bank as the Bank may from time to time reasonably require and the LLP will punctually pay all premiums and other monies necessary for effecting and keeping on risk such insurance on the same becoming due and (if the Bank so requires) will produce to or deposit with the Bank all such policies and receipts for all premiums and other payments necessary for effecting and keeping up such policies;
 - 3.3.3 not do or permit any act or commit any default by which the policy of insurance may become void or voidable or by which the Bank may be prevented from receiving all monies payable under the policy and will not without the previous written consent of the Bank effect any other insurance on the Property;
 - 3.3.4 subject to the terms of any lease affecting the Property, ensure that all sums at any time payable under any of such policies of insurance shall be paid to the Bank (and if the same be not paid directly to the Bank by the insurers but paid to the LLP then the LLP shall be trustee of the same for the benefit of the Bank and shall account to the Bank accordingly) and shall (subject to any rights arising before the date of this Legal Charge in favour of any third party) at the option of the

Bank be applied in making good the loss or damage for which such monies are received or in or towards discharge or reduction of any of the Secured Liabilities;

- 3.4 in relation to obligations affecting the Property:
 - 3.4.1 observe and perform or (as the case may be) enforce the observance and performance of all regulations, covenants, stipulations and provisions affecting the Property or the user of the Property;
 - 3.4.2 if the Bank so requires, produce to the Bank evidence sufficient to satisfy the Bank that all such regulations, covenants, stipulations and provisions have been observed and performed and keep the Bank indemnified against any breach, non-observance or non-performance of the same or any of them and against all resulting liabilities and expenses;
- 3.5 in relation to any leases affecting the Property or any part:
 - 3.5.1 notify the Bank if any tenant (under any lease in respect of which the LLP is obliged as landlord and which is binding on the Bank and to which the Property may from time to time be subject) fails to pay any rent, service charge or amount payable in respect of failure to comply with a tenant covenant, and if the Bank so requires, to give notice of such failure by such tenant to any former tenant or guarantor in respect of any such lease;
 - 3.5.2 not, without the prior consent in writing of the Bank, claim or accept settlement of any arrears of rent, service charge or amount payable in respect of failure to comply with a tenant covenant, from a former tenant or guarantor in respect of any lease under which the LLP is obliged as landlord and which is binding on the Bank and to which the Property may from time to time be subject;
- 3.6 obtain and comply with all licences, permissions and consents required or imposed by any laws which now or may hereafter affect the Property or its use;
- 3.7 not without the prior consent in writing of the Bank, create or allow to subsist any Encumbrance (other than a Permitted Encumbrance). In the event that the LLP creates any Encumbrance in breach of this prohibition, this Legal Charge shall rank in priority to that Encumbrance;
- 3.8 not without the prior written consent of the Bank, pull down or remove the whole or any part of any buildings forming part of the Property or sever, unfix or remove any of the fixtures attaching to them nor (except for the purpose of effecting necessary repairs or of replacing any of them with new or improved models or substitutes) remove any of the plant and machinery belonging to or used by the LLP and the LLP shall whenever any of that plant and machinery is destroyed, damaged or deteriorates immediately reinstate the same;
- 3.9 carry on trade or business on such part (if any) of the Property as is now or may hereafter be used for the purposes of trade or business in accordance with the standards of good management from time to time current in such trade or business;
- 3.10 within seven days of becoming aware of any notice, order, direction, designation, resolution or proposal having specific application to the Property or its location given or made by any planning authority, other public body or authority whatsoever to give full particulars to the Bank and (if the Bank so requires) immediately and at the cost of the LLP, take all reasonable and necessary steps to comply with any such notice, order, direction, designation or resolution and make or join with the

Bank at the expense of the LLP in making such objections or representations in respect of any such proposal as the Bank may require;

- 3.11 not without the prior written consent of the Bank, grant or agree to grant or vary any licence or tenancy affecting all or any part of the Property, nor exercise the powers of leasing or agreeing to lease or of accepting or agreeing to accept surrenders conferred by Sections 99 or 100 of the Law of Property Act 1925, nor in any other way dispose of or agree to dispose of or create any legal or equitable estate or interest in or in the proceeds of sale of the Property or any part, nor part with possession or share occupation of the Property or any part;
- 3.12 not without the prior written consent of the Bank (such consent not to be unreasonably withheld), conclude any negotiations for the review of the rent under or for the renewal under Part II of the Landlord and Tenant Act 1954 (as amended) of any lease or tenancy under which the Property is held, or any lease or tenancy binding on the Bank to which the Property may from time to time be subject;
- 3.13 not without the prior written consent of the Bank:
 - 3.13.1 carry out or allow to be carried out on the Property any development as defined in the Town and Country Planning Act 1990; or
 - 3.13.2 change or allow to be changed the use of the Property; or
 - 3.13.3 make, cause or permit to be made or caused any alteration in or addition to the Property which may adversely affect its value;
- 3.14 procure that no person shall become entitled to assert any proprietary or other like, right or interest over the Property without the prior written consent of the Bank;
- 3.15 permit the Bank and any persons authorised by the Bank full access to the Property at reasonable times for all purposes connected with this Legal Charge and for the purposes of carrying out a valuation, survey and/or inspection of the Property;
- 3.16 in relation to environmental matters:
 - 3.16.1 not do or omit to do anything, or permit anything to be done or omitted, on, at, under, over, from or to the Property or any part of it which could lead to the LLP incurring any costs or liabilities or committing any offence under any environmental law;
 - 3.16.2 indemnify the Bank and its officers, employees and agents against all costs, liabilities and expenses which may be suffered or incurred by it arising out of or in connection with any such act, omission, or permission, any actual or threatened breach of environmental law or the presence of any hazardous substances on, at, under, over, or migrating to or from the Property;
 - 3.16.3 ensure that it complies in all material respects with the terms of all environmental laws and will notify the Bank immediately upon becoming aware of any environmental issues which may have a prejudicial effect on the value of the Property and immediately following receipt of any notices, or upon becoming aware of any actual or threatened claims in connection with any environmental matters directly or indirectly associated with the Property;
- 3.17 if and to the extent that this Legal Charge shall rank after any prior charge, punctually pay all sums due and will comply with the obligations and covenants on the part of the LLP under such prior charge and will not without the prior written

consent of the Bank, increase or seek to increase any priority of a principal sum owing under such prior charge;

- 3.18 if the Property is leasehold, immediately upon the acquisition of any extended lease or the freehold of the Property (or an interest in the freehold of the Property), in each case, whether under the Leasehold Reform Act 1967, the Landlord and Tenant Act 1987, the Leasehold Reform Housing and Urban Development Act 1993 (as amended by the Commonhold and Leasehold Reform Act 2002) or the Commonhold and Leasehold Reform Act 2002 or any other legislation:
- 3.18.1 deliver such an extension to the lease or the title deeds to the freehold or the documents evidencing such interest to the Bank; and
- 3.18.2 if required by the Bank execute at the LLP's cost a legal charge in favour of the Bank in such form as the Bank may require.

4. Declarations and Undertakings

- 4.1 If the LLP for any reason fails to observe or punctually to perform any of its obligations owed to the Bank, the Bank shall have power on behalf of the LLP to perform the obligation and to take any steps which the Bank may in its absolute discretion consider appropriate to remedy the failure, but the Bank shall not be under any obligation to do so and the exercise of that power or the failure to exercise it shall in no circumstances prejudice any other right of the Bank under this Legal Charge.
- 4.2 For the purposes of Section 101 of the Law of Property Act 1925 (Powers incident to estate or interest of mortgagee) the Secured Liabilities shall be deemed to have become due upon demand.
- 4.3 Section 93 (Consolidation) and 103 (Regulation of exercise of power of sale) of the Law of Property Act 1925 shall not apply to this Legal Charge and the statutory powers of sale and of appointing a Receiver (as hereby extended) shall be exercisable at any time after demand.
- 4.4 At any time after the Bank has demanded payment or discharge of the Secured Liabilities or if otherwise requested by the LLP, the Bank may exercise all or any of the powers conferred on mortgagees by the Law of Property Act 1925 as varied or extended by this Legal Charge and all the powers, authorities and discretions conferred on the Receiver by this Legal Charge.
- 4.5 Nothing done by or on behalf of the Bank or a Receiver appointed by it shall render it or him liable to account as a mortgagee in possession for any sums other than actual receipts.
- 4.6 The LLP shall execute and perform all such deeds, assurances and matters as the Bank may reasonably require for perfecting the security intended to be created by this Legal Charge and for facilitating the realisation of the Property, and the exercise by the Bank or the Receiver of the powers, authorities and discretions conferred on them whether by or under the Law of Property Act 1925 or this Legal Charge and in particular shall execute all transfers, conveyances, assignments and assurances and shall give all notices, orders and directions which the Bank may think expedient and for the purposes of this sub-clause, a certificate in writing signed under the hand of any officer of the Bank to the effect that any particular assurance or matter required by it is expedient shall be conclusive evidence of the fact.
- 4.7 At any time after this Legal Charge becomes enforceable, the Bank may redeem any prior Encumbrance in respect of the Property, or procure the transfer of it to itself and may settle the accounts of the prior encumbrancer and any accounts so

settled will be, in the absence of manifest error, conclusive and binding on the LLP. All money paid by the Bank to the encumbrancer in accordance with such accounts shall form part of the Secured Liabilities and shall bear interest at 6% over the Bank of England Base Rate as it may vary from time to time from the date the same are incurred, computed and compounded monthly.

- 4.8 The Bank shall at any time during the continuance of this Legal Charge, be entitled to obtain valuations of the Property at the expense of the LLP and if any of these reveal in the Bank's opinion a decrease in the market value of the Property material to the Bank's interest, the Bank shall be entitled to require the LLP to provide further security or to repay to the Bank such an amount as the Bank may reasonably require.
- 4.9 A certificate of any officer of the Bank as to the amount for the time being due by the LLP to the Bank shall in the absence of manifest error be conclusive for all purposes against the LLP.

5. Enforcement

The Bank shall cease to be under any further commitment to the LLP and the Secured Liabilities not otherwise payable on demand shall become payable on demand in the following events:

- 5.1 if any of the Secured Liabilities are not paid or discharged when due; or
- 5.2 if the LLP is in breach of any of the obligations binding on the LLP under this Legal Charge (other than the obligation to pay or discharge when due any of the Secured Liabilities) and such breach (if capable of remedy) has not been remedied to the satisfaction of the Bank before the expiry of seven days after notice calling upon the LLP to do so has been given by the Bank; or
- 5.3 if any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - 5.3.1 the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the LLP; or
 - 5.3.2 a composition, compromise, assignment or arrangement with any creditor of the LLP; or
 - 5.3.3 the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any subsidiary undertaking of the LLP (if any) or any of their respective assets; or
 - 5.3.4 the enforcement of any security over any assets of the LLP or any expropriation, attachment, sequestration, execution or distress of any assets of the LLP; or
 - 5.3.5 the LLP becoming insolvent or unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986;or any analogous procedure or step is taken in any jurisdiction;
- 5.4 if any statement, representation, or warranty made by or on behalf of the LLP to the Bank proves to be or becomes incorrect in any respect which the Bank considers material; or

- 5.5 if any other obligation of the LLP present or future in respect of indebtedness is not met in full on the due date, or within any period of grace permitted for payment, or becomes prematurely repayable following a default by the LLP, or any security given by the LLP becomes enforceable as a result of such default; or
- 5.6 if the LLP sells, transfers or otherwise disposes of, whether by a single transaction or a number of transactions, the whole or any part of the Property without the Bank's prior written consent; or
- 5.7 if in the opinion of the Bank there is at any time a change of voting control which the Bank considers material or if any person or group of connected persons should acquire control (as defined in Section 840 of the Income and Corporation Taxes Act 1988) of the LLP; or
- 5.8 if any of the foregoing events occurs in relation to:
 - 5.8.1 any third party which now or in the future guarantees or provides security for or gives indemnity in respect of the Secured Liabilities; or
 - 5.8.2 any subsidiary undertaking or parent undertaking of the LLP or of any such third party or of any subsidiary undertaking or parent undertaking of any such holding company of any such third party.

These events of default shall not prejudice any events of default contained in any other agreement, letter, charge or other arrangement between the LLP and the Bank.

6. Receiver

- 6.1 At any time after it has demanded payment in respect of the Secured Liabilities, or if a petition is presented applying for an administration order to be made in respect of the LLP or any third party who may have provided security for or otherwise guaranteed the Secured Liabilities, or it is requested to do so by the LLP, the Bank may appoint in writing one or more persons to be the Receiver of the Property (whether or not the Property is then producing income and so that any joint Receiver may exercise any power independently of any other joint Receiver).
- 6.2 The Bank may remove the Receiver so appointed and appoint another in his place and the Bank may also appoint another Receiver if the Receiver resigns.
- 6.3 The Receiver shall be the agent of the LLP and the LLP alone shall be responsible for his acts and defaults and liable on any contracts or engagements made or entered into by him and the Bank shall in no way be responsible for his misconduct, negligence or default.
- 6.4 The remuneration of the Receiver will be fixed by the Bank, but shall be payable by the LLP alone (without prejudice to clause 6.6) and the amount of such remuneration may be debited by the Bank to any account of the LLP, but shall in any event form part of the Secured Liabilities and accordingly shall be secured on the Property.
- 6.5 The Receiver shall have full power at his absolute discretion:
 - 6.5.1 to take possession of the Property and collect all rents and other income whether accrued before or after the date of his appointment;
 - 6.5.2 to sell the Property in such manner and generally upon such terms and conditions as he thinks fit and to convey the same in the name and on behalf of the LLP;

- 6.5.3 to sever and sell separately from the Property containing them, all fixed plant and machinery and other fixtures and fittings;
- 6.5.4 to deal with and manage the Property, to construct and complete any building on the Property, to do any repairs and decorations, make structural alterations and improvements in and to the existing buildings on the Property and to do such other things, including the acquisition of additional land, as the Receiver may think desirable for increasing the market value of the Property;
- 6.5.5 to compromise or settle any claims or enter into any contracts which he shall think expedient;
- 6.5.6 to apply for any appropriate licence, permission or approval in relation to the Property, its use or development;
- 6.5.7 to appoint managers, agents, officers, servants and workmen for any of the aforesaid purposes, or to guard and protect the Property at such remuneration and for such periods as he may determine and to dismiss the same;
- 6.5.8 without any further consent by or notice to the LLP, to exercise for and on behalf of the LLP all or any of the powers and rights conferred on a landlord or tenant by the Landlord and Tenant Acts 1927 and 1954, the Rent Acts and the Housing Acts in respect of the Property;
- 6.5.9 to insure, exploit and develop the Property in any manner;
- 6.5.10 to borrow from the Bank such monies as he may require and such monies shall be monies due from the LLP to the Bank and shall form part of the Secured Liabilities accordingly and with the prior written consent of the Bank, to borrow from any other person such monies as he may require;
- 6.5.11 if the Property is leasehold, to vary the terms of, or surrender any lease and/or take a new lease of the Property and so that any such new lease shall be charged to the Bank on the same terms as this Legal Charge so far as they apply and to execute a legal charge over any such new lease in favour of the Bank as the Bank may require;
- 6.5.12 to grant or to accept surrenders of any leases or tenancies affecting the Property upon such terms and subject to such conditions as he thinks fit;
- 6.5.13 to dispose of any chattels or goods found on the Property as agent for the LLP and without prejudice to an obligation to account for the proceeds of any sale of such chattels or goods;
- 6.5.14 to exercise without restriction, all the powers in relation to the Property of a beneficial owner absolutely entitled to the freehold or any lesser interest which the LLP may hold;
- 6.5.15 to exercise any powers not herein before specifically mentioned which are conferred on a receiver by the Law of Property Act 1925 or on an administrative receiver by the Insolvency Act 1986, such powers to be deemed for the purposes of this Legal Charge as being applicable to the LLP and to the Property; and
- 6.5.16 to do all other acts and things which may be considered to be incidental or conducive to any of the matters or powers aforesaid which he lawfully

may or can do and to use the name of the LLP for all purposes aforesaid and in proceedings arising therefrom;

PROVIDED THAT the Receiver shall not be authorised to exercise any of the aforesaid powers insofar and so long as the Bank shall in writing exclude the same within or at the time of his appointment or subsequently.

6.6 The provisions of Section 109(6) and (8) (Remuneration of receiver and application of monies received) of the Law of Property Act 1925 shall not apply and the net proceeds arising from the exercise of the powers of the Receiver shall (unless otherwise agreed between the Bank and the Receiver and subject to any claims ranking in priority to the Secured Liabilities) be applied in or towards discharging in the following order of priority:

6.6.1 the amount of all rents, taxes, rates and outgoings whatever affecting the Property;

6.6.2 the remuneration of the Receiver and all costs, charges and expenses incurred by him;

6.6.3 all other Secured Liabilities in such order as the Bank may determine;

and any surplus shall be paid to the person entitled to receive it.

6.7 The LLP agrees to indemnify and hold harmless the Receiver and any party for whose debt, default or miscarriage he may be answerable from and against all actions, claims, expenses, demands and liabilities, or for anything done or omitted to be done in the exercise or purported exercise of his powers, under or pursuant to the provisions of this Legal Charge.

7. Continuing Security

The security constituted by this Legal Charge shall be a continuing security and shall remain in full force and effect until total and irrevocable satisfaction of all the Secured Liabilities.

8. Bank's Right to Perform LLP's Obligations

8.1 If the LLP fails to perform any obligations imposed upon it by this Legal Charge, the Bank may, but is not obliged to, take such steps as in its opinion may be required to remedy such failure, including making any payment and for that purpose, the Bank and its agents may enter the Property without being deemed to have entered into possession of the Property.

8.2 The LLP shall indemnify the Bank from and against any sums expended by the Bank pursuant to clause 8.1.

8.3 All amounts payable under clause 8.2 shall bear interest at 6% over the Bank of England Base Rate as it may vary from time to time from the date the same are incurred, computed and compounded monthly.

9. The Bank's Right of Set-Off and Debit Accounts

It is hereby agreed and declared that in addition to any right of set-off or other similar right to which the Bank may be entitled, the Bank may at any time and without notice to the LLP combine and consolidate all or any of the accounts between the LLP and the Bank and/or set-off any monies whatsoever and whether on current account or deposit account and whether in sterling or in any other currency which the Bank may at any time hold for the account of the LLP against any liabilities whatsoever and whether in sterling or in any other currency and whether such liabilities are or may be joint or several, actual or contingent and

whether owed as principal or surety and for the purposes of this clause, the Bank may effect any necessary currency conversions in accordance with clause 21.

10. Information Disclosure

The LLP authorises the Bank to disclose information about the LLP, this Legal Charge, the Property and the Secured Liabilities to:

- 10.1 any party to whom the Bank has assigned or transferred, or intends to assign or transfer its rights under this Legal Charge;
- 10.2 any other person if required by law to do so;
- 10.3 any member of the Bank's Group; or
- 10.4 the Bank's auditors, advisors, applicable regulatory authorities, rating agencies and investors.

11. Preservation of Rights

This Legal Charge, the security constituted by this Legal Charge and the rights, powers, remedies and discretions conferred by this Legal Charge shall not be discharged, impaired or otherwise affected by:

- 11.1 any legal limitation, disability, incapacity or other similar circumstance relating to the LLP;
- 11.2 any act or omission or other circumstances which but for this provision might operate to release the LLP from its obligations in respect of the Secured Liabilities, in whole or in part.

12. Rights Under This Legal Charge

This Legal Charge, the security constituted by this Legal Charge and the rights, powers, remedies and discretions conferred by this Legal Charge:

- 12.1 shall be in addition to and independent of and shall not in any way prejudice or be prejudiced by any collateral or other security, right, remedy or power whether at law or otherwise which the Bank may now or at any time after the date of this Legal Charge have or hold for all or any part of the Secured Liabilities or by any such collateral or other security, right, remedy or power becoming wholly or in part void or voidable or unenforceable or by the failure to perfect or enforce any such collateral or other security, right, remedy or power; and
- 12.2 may be enforced or exercised without the Bank first having taken action or obtained decree against the LLP, filed any claim to rank in the insolvency of the LLP or having enforced or sought to enforce any other collateral, security, right, remedy or power whether at law or otherwise.

13. Registered Land

- 13.1 If the Property or any part consists of registered land, the LLP applies for the registration in the proprietorship register of the Property at the Land Registry of a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction,] is to be registered without a written consent signed by

the proprietor for the time being of the charge dated [date] in favour of Clydesdale Bank PLC referred to in the charges register".

- 13.2 The LLP will procure that no person shall be registered under the Land Registration Act 2002 as proprietor of the Property without the prior written consent of the Bank and the LLP shall be liable for the costs incurred by the Bank in lodging from time to time unilateral notices or cautions against the first registration of the title to all or any of the Property.

14. Notice of Subsequent Encumbrances

If the Bank receives or is deemed to have received notice of any subsequent Encumbrance or other interest affecting any part of the Property, the Bank may open a new account or accounts for the LLP in its books and if the Bank does not do so then, unless the Bank gives express written notice to the contrary to the LLP, as from the time of receipt or deemed receipt of such notice by the Bank all payments made by the LLP to the Bank shall notwithstanding any appropriation by the LLP to the contrary be treated as having been credited to a new account of the LLP and not as having been applied in reduction of the Secured Liabilities.

15. Suspense Accounts

All monies received by the Bank under this Legal Charge may at the discretion of the Bank be credited to a suspense account and may be held in such account for so long as the Bank shall think fit without any obligation to apply all or any part of such monies in or towards payment or performance of the Secured Liabilities.

16. Discharge and Avoidance of Payments

Any settlement or discharge between the LLP and the Bank shall be conditional upon no security or payment granted or made to the Bank by the LLP or any other person being avoided or reduced by virtue of any provision or enactment relating to administration, bankruptcy, insolvency or liquidation for the time being in force and accordingly (but without prejudice to any other rights of the Bank) the Bank shall be entitled to recover from the LLP the value or amount of such security or payment from the LLP or to enforce this Legal Charge to the full extent of the Secured Liabilities as if such settlement or discharge had not occurred.

17. Remedies, Waivers and Consents

- 17.1 No failure or delay by the Bank in exercising any right, remedy or power under this Legal Charge shall operate as a waiver and no single or partial exercise shall prevent further exercise of any right, remedy or power.
- 17.2 Any waiver and any consent by the Bank under this Legal Charge must be in writing to be effective and may be given subject to such conditions as the Bank thinks fit.

18. Partial Invalidity

- 18.1 Each provision of this Legal Charge will be valid and enforceable to the fullest extent permitted by law.
- 18.2 If any provision of this Legal Charge shall to any extent be invalid or unenforceable, the validity and enforceability of any remaining provisions of this Legal Charge will not in any way be affected. Any invalid and unenforceable provision shall be modified to the extent necessary to make such provision valid and enforceable provided the Bank consents in writing to such modification.

19. Power of Attorney

- 19.1 The LLP irrevocably appoints the Bank and also as a separate appointment the Receiver severally its attorney and attorneys with full power to delegate for the LLP and on its behalf, in its name and as its act and deed or otherwise to execute and deliver any document or any alteration, addition or deletion to any document which such attorney requires or deems proper in relation to this Legal Charge or any perfection, protection or enforcement action in connection therewith.
- 19.2 The LLP hereby ratifies and confirms and agrees to ratify and confirm immediately upon request by the Bank or the Receiver the actions of an attorney appointed under clause 19.1.

20. Costs and Expenses

- 20.1 The LLP shall pay, on a full indemnity basis, all costs, charges, expenses and liabilities incurred by the Bank (including without limitation all amounts determined by the Bank to be necessary to compensate it for internal management or administration costs, charges and expenses) or to be incurred by the Bank or any attorney, manager, agent or other person appointed by the Bank in connection with the preparation, negotiation, completion, execution, registration, perfection, modification, amendment, issue of waivers and consents under, enforcement and or attempted enforcement, preservation of rights under, exercise or purported exercise of rights under or decision as to whether to exercise rights under, assignment, release or discharge of this Legal Charge or actions, proceedings or claims in respect of this Legal Charge or the Property which costs, charges and expenses shall form part of the Secured Liabilities.
- 20.2 All amounts payable under clause 20.1 shall bear interest at 6% over the Bank of England Base Rate as it may vary from time to time from the date the same are incurred, computed and compounded monthly.

21. Currency

- 21.1 The Bank may convert any monies received under this Legal Charge from their existing currency of denomination into such other currency or denomination as the Bank may think fit.
- 21.2 Any such conversion shall be effected at the Bank's then prevailing spot selling rate of exchange for such other currency against the existing currency as conclusively determined by the Bank.

22. Assignment

The Bank may assign all or any of its rights under this Legal Charge.

23. Communications

Each notice, consent and other communication in respect of this Legal Charge:

- 23.1 will be in writing (which includes by fax);
- 23.2 will be sent to the address or fax number most recently designated for this purpose by the recipient;
- 23.3 given to the LLP will be effective when left at, or two Business Days after it is posted to, the relevant address or, in the case of a fax, on receipt by the Bank of a fax confirmation sheet; and

- 23.4 given to the Bank will be effective only on actual receipt by the Business Lending Services Department of the Bank or such other department as may be notified to the LLP from time to time.

24. Interpretation

24.1 In this Legal Charge:

"Bank's Group" means the Bank, any subsidiary of it, any holding company of it and any subsidiary of its holding company;

"Business Day" means any day (excluding Saturdays, Sundays and bank holidays) on which banks are generally open in the City of London for the transaction of normal banking business;

"Companies Act" means the Companies Act 2006 as amended from time to time;

"Encumbrance" means any mortgage, standard security, charge (whether fixed or floating), assignment, assignation, pledge, lien, encumbrance, hypothecation, security interest, title retention or other preferential right having the effect of creating security;

"holding company" shall have the meaning given to it in Section 1159 of the Companies Act;

"Permitted Encumbrances" means:

- (a) a fixed security in favour of the Bank;
- (b) any Encumbrance arising by operation of law; and
- (c) an Encumbrance consented to in writing by the Bank;

"Receiver" means any receiver or receiver and manager for the time being appointed by the Bank under or by virtue of this Legal Charge and if more than one receiver or receiver and manager has been so appointed then the expression **"the Receiver"** shall mean any or all of them;

- 24.2 without prejudice to any requirement to procure consent to the same the expressions **"LLP"** and **"Bank"** include their successors, assignees and transferees;
- 24.3 references to a "subsidiary undertaking" or "parent undertaking" shall be construed in accordance with section 1162 of the Companies Act;
- 24.4 words importing the masculine only shall include the feminine gender;
- 24.5 words importing the singular shall include the plural and vice versa;
- 24.6 each reference in this Legal Charge to a statute or statutory provision shall be deemed to include a reference to that statute or provision as from time to time amended, consolidated or re-enacted;
- 24.7 any reference herein to a person shall include a body corporate;
- 24.8 the clause headings in this Legal Charge are for convenience only and shall not be taken into account in construing this Legal Charge; and

24.9 without prejudice to any requirement to procure consent to the same, any reference to any document of any kind is to that document as amended, varied, supplemented, novated, restated or substituted from time to time.

25. Contracts (Rights of Third Parties) Act

A person who is not a party to this Legal Charge has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Legal Charge.

26. Governing Law

This Legal Charge shall be governed by and construed in accordance with English Law.

IN WITNESS WHEREOF this Legal Charge has been duly executed and delivered as a Deed on the date first above written.

THE SCHEDULE

Registered Title

All the property comprised in the undermentioned title(s) at the Land Registry

Title Number(s): MAN223153

Short description of the Property:

The Leasehold land being Unit 66, Shentonfield Road, Manchester.

and all other property now vested in the LLP and comprised in the undermentioned deeds and documents or any of them

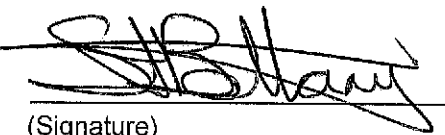
Date	Deed/Document	Parties
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<div>This is an important document. You should take independent legal advice before signing and sign only when you fully understand the consequences and if you want to be legally bound.</div>		
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SIGNED as a deed by Shentonfield Properties
LLP

acting by:

Simon J BELLAMY Member
(Print Full Name)

 Member
(Signature)

in the presence of:

 Witness
NEIL GARVIN Full Name

GARVINS SOLICITORS LLP Address
The Chambers
New Acre House
Shentonfield Road
Manchester
M22 4RW