

HM LAND REGISTRY

LAND REGISTRATION ACT 2002

Administrative area

Ceredigion

Title number(s)

WA599113

Property

Belmont 60 Marine Terrace Aberystwyth SY23
2BX

THIS **LEGAL CHARGE** is made the 21st day of December 2017
BETWEEN:

- (1) **LLANILAR DEVELOPMENTS LIMITED** (company registration number 10172582) whose registered office is at Queensbridge Hotel, Victoria Terrace, Aberystwyth, Ceredigion SY23 2DH ('the Borrower') and
- (2) **DAVID STEPHEN WOOD, JANICE WOOD and KUSUM TANDON** as Trustees of the Woods Building Supplies Pension Scheme c/o 21a Glanyrafon Industrial Estate, Llanbadarn Fawr, Aberystwyth, Ceredigion SY23 3JQ ('the Lender') and

NOW THIS DEED WITNESSES as follows:

1 DEFINITIONS AND INTERPRETATION

For all purposes of this legal charge³ the terms defined in this clause 1 DEFINITIONS AND INTERPRETATION have the meanings specified.

1.1 Gender, personality and number

Unless the context otherwise requires:

- 1.1.1 the singular includes the plural and vice versa;
- 1.1.2 references to persons includes references to firms, companies, corporations or limited liability partnerships and vice versa; and
- 1.1.3 references in the masculine gender include references in the feminine or neuter genders and vice versa.

1.2 Headings

The clause and schedule headings do not form part of this document and are not to be taken into account in its construction or interpretation.

1.3 'The Interest Payment Days'

'The Interest Payment Days' means the first day of each month

1.4 Interest Rates

- 1.4.1 'The Interest Rate'

- 'The Interest Rate' means 11% above HSBC Plc base lending rate for the time being in force.
- 1.4.2 **'The Default Interest Rate'**
'The Default Interest Rate' means 20% above HSBC Plc base lending rate for the time being in force.
- 1.5 **Interpretation of 'the Borrower' and 'the Lender'**
Unless the context otherwise requires the expressions 'the Borrower' and 'the Lender' include their respective successors and assigns whether immediate or derivative and where appropriate the survivors or survivor of them and where either party comprises two or more persons include any one or more of those persons.
- 1.6 **Joint and several liability**
Where any party to this deed for the time being comprises two or more persons, obligations expressed or implied to be made by or with that party are deemed to be made by or with the persons comprising that party jointly and severally.
- 1.7 **Obligation not to permit or suffer**
Any covenant by the Borrower not to do anything includes an obligation to use reasonable endeavours not to permit or suffer that thing to be done by another person.
- 1.8 **'The Planning Acts'**
'The Planning Acts' means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004 and all statutes, regulations and orders included by virtue of clause 1.12 REFERENCES TO STATUTES.
- 1.9 **Payments**
- 1.9.1 **'The Arrangement Fee'**
'The Arrangement Fee' means £2,000 payable on the completion of this Deed.
- 1.9.2 **'The Principal'**
'The Principal' means the Initial Advance:
1.9.2.1. plus any Staged Payments
1.9.2.2. less any capital repayments made by the Borrower prior to the Redemption Date
- 1.9.3 **'The Initial Advance'**
'The Initial Advance' means the sum of £255,000
- 1.9.4 **'Staged Payments'**
'Staged Payments' means any further advances up to a maximum of £200,000 made in accordance with SCHEDULE 2.
- 1.10 **'The Property'**

'The Property' means the property specified in SCHEDULE 1 and all buildings, erections, structures, fixtures, fittings and appurtenances on the Property from time to time.

1.11 'The Redemption Date'

'The Redemption Date' means the earliest of the following events to occur:

1.11.1. the expiry of 18 months from the date of this Deed

1.11.2. the execution and delivery of a Transfer of the Borrower's entire legal estate in the Property

1.11.3. any disposition of a legal or equitable interest in the Property

1.11.4. the expiry of 28 days from the date of written notice served by the Borrower on the Lender of his wish to redeem this security subject to Clause 3.1.3.3 regarding early redemption.

1.12 References to clauses

Any reference in this document to a clause without further designation is to be construed as a reference to the clause of this document so numbered.

1.13 References to statutes

Unless expressly stated to the contrary, any reference to a specific statute includes any statutory extension or modification, amendment or re-enactment of that statute and any regulations or orders made under it, and any general reference to a statute includes any regulations or orders made under that statute.

1.14 'VAT'

'VAT' means value added tax or any other tax of a similar nature and unless otherwise expressly stated all references to sums payable by the Borrower are exclusive of VAT.

2 RECITALS

2.1 Title

The Borrower is registered at HM Land Registry as proprietor with title absolute of the property described in SCHEDULE 1 free from incumbrances.

2.2 Agreement to lend

In consideration of the Arrangement Fee (receipt of which the Lender acknowledges) the Lender has agreed to lend to the Borrower the Initial Advance plus any Staged Payments on condition that its repayment together with interest is secured in the manner set out in this document.

3 PAYMENT OF PRINCIPAL, INTEREST AND COSTS

In consideration of the Initial Advance now paid by the Lender to the Borrower (receipt of which the Borrower acknowledges) the Borrower covenants with the Lender as set out in this clause 3 PAYMENT OF PRINCIPAL, INTEREST AND COSTS.

3.1 Payment of principal

The Borrower covenants with the Lender to pay the Principal to the Lender free from any legal or equitable right of set-off on:

3.1.1 the Redemption Date or,

3.1.2 If earlier, immediately on demand if:

3.1.2.1 any interest or other sum payable under this security is not paid within 14 days of becoming due; or

3.1.2.2 the Borrower or any surety fails to comply with any term, condition, covenant or provision of or to perform any of his obligations or liabilities under this or any associated or collateral security; or

3.1.2.3 any representation or warranty given by the Borrower or any surety to the Lender is or becomes incorrect; or

3.1.2.4 any judgement or order made against the Borrower or any surety by any court is not complied with within 14 days; or

3.1.2.5 the property of the Borrower or any surety becomes subject to any forfeiture or execution, distress, sequestration or other form of process; or

3.1.2.6 a mortgagee takes possession of or exercises or seeks to exercise any power of sale or of an appointment of a receiver in relation to the property charged by this deed or any other property of the Borrower or of any surety; or

3.1.2.7 in the case of an individual:

3.1.2.7.1 the Borrower or any surety becomes subject to an interim order or makes a proposal for a voluntary arrangement under the Insolvency Act 1986 Part VIII or enters, or seeks to enter, into any other form of composition or arrangement with his creditors whether in whole or in part; or

3.1.2.7.2 a petition is presented for the bankruptcy of the Borrower or any surety; or

3.1.2.7.3 the Borrower or any surety dies or becomes of unsound mind; or

3.1.2.8 in the case of a company or limited liability partnership:

3.1.2.8.1 the Borrower or any surety ceases or threatens to cease to carry on, or disposes or threatens to dispose of, its business or a material part of its business; or

3.1.2.8.2 the Borrower or any surety makes a proposal for a voluntary arrangement under the Insolvency Act 1986 Part I or enters, or seeks to enter, into any other form of composition or arrangement with its creditors whether in whole or in part; or

3.1.2.8.3 the Borrower or any surety becomes subject to a notice of an intended appointment of an administrator or an application is made to any court or

any meeting of directors or members is called with a view to the Borrower or any surety entering into administration; or

3.1.2.8.4 an administrative receiver is appointed in respect of the whole or any part of the undertaking of the Borrower or any surety; or

3.1.2.8.5 a petition is presented in any court or a meeting is convened for the purpose of considering a resolution for the winding up of the Borrower or any surety (except in the case of a reconstruction or amalgamation that has the previous approval in writing of the Lender)

3.1.3 Power to anticipate instalments

3.1.3.1 Entitlement

Subject to the provisions of clause 3.1.3.2 EXERCISE OF ENTITLEMENT the Borrower may, on giving to the Lender at least 28 days previous notice in writing, repay to the Lender on any day on which interest is payable under this deed, the whole or any part (being at least 10%) of the Principal then owing.

3.1.3.2 Exercise of entitlement

The entitlement to make anticipatory repayments referred to in clause 3.1.3.1 ENTITLEMENT shall only be capable of being exercised if the interest due on the proposed repayment date in respect of the whole Principal for the time being owing is also paid.

3.1.3.3 Early redemption

In the case of the whole Principal being repaid within 6 months of the date of this Deed an early redemption fee of £1,000 will be payable at the same time.

3.2 Interest

3.2.1 Payment of interest

The Borrower covenants with the Lender to pay to the Lender interest at the Interest Rate on the Principal (or so much of it as may from time to time remain outstanding) on the Interest Payment Days in equal monthly instalments from the date of this Deed, save that in the event that payment of any interest due is not made within 14 days of the due date at any time during the continuance of this security, interest shall be payable instead as the Default Interest Rate on the Principal (or so much of it as may from time to time remain outstanding) on the Interest Payment Days from the date of default until the date the default is made good and thereafter at the Interest Rate on the Interest Payment Days

such interest to be payable as well after as before any demand or judgement or the administration or liquidation or, as appropriate, bankruptcy, death or insanity of the Borrower.

3.2.2 Capitalisation of arrears of interest

3.2.2.1 Capitalisation

If any interest payable under this security is not paid within 14 days after the due date for payment it shall be capitalised and added to the Principal and be charged on the Property and bear interest from the due date for payment at the Interest Rate and on the Interest Payment Days.

3.2.2.2 Enforcement

The capitalisation of arrears of interest is to be without prejudice to the Lender's right at any time to enforce payment of the sums concerned as interest in arrear.

3.2.2.3 Payment of capitalised arrears

The Borrower may on any of the Interest Payment Days pay to the Lender, in addition to the interest then due, all or any part of the Principal representing capitalised arrears of interest.

3.2.2.4 General

Otherwise all covenants and provisions contained in this mortgage and all powers and remedies conferred by law or by this mortgage and all rules of law or equity relating to the Principal and interest on it shall equally apply to capitalised arrears of interest and to interest on them.

3.3 Costs, charges, expenses and other liabilities

3.3.1 Payment of costs, charges, expenses and other liabilities

The Borrower covenants with the Lender to pay to the Lender on demand, and on a full and unlimited indemnity basis, all costs, charges, expenses and liabilities paid and incurred by the Lender (whether directly or indirectly) in relation to the security constituted by and the obligations owed under and associated with this deed (including all commission, legal and other professional costs and fees and disbursements and VAT on them) together with interest from the date when the Lender becomes liable for them until payment by the Borrower at the Interest Rate, such interest to be payable in the same manner as interest on the Principal.

3.3.2 Costs included

Without prejudice to the generality of the provisions of that clause, the Borrower's liability under clause 3.3.1 PAYMENT OF COSTS, CHARGES, EXPENSES AND OTHER LIABILITIES will include not only those costs, charges, expenses and liabilities that would otherwise be allowable on the taking of an account between a mortgagor and mortgagee but also (and in so far as they are not so allowable) those incurred in relation to or arising out of:

- 3.3.2.1 the contemplation and institution of all proceedings and other action in connection with the enforcement, preservation and protection of the security constituted by this deed;
- 3.3.2.2 the contemplation and institution of all proceedings and other action (whether against the Borrower or otherwise) for the payment or discharge of the money and liabilities secured by or associated with this deed;
- 3.3.2.3 the exercise or contemplated exercise of any power, right or discretion conferred by this deed or by law on the Lender;
- 3.3.2.4 any default by the Borrower or any surety in compliance with the obligations imposed by the terms of this security or associated with it;
- 3.3.2.5 any impeachment or attempted impeachment of the title of the Lender (whether by the Borrower or by a third party) or of the title of the Borrower; and
- 3.3.2.6 the contemplation or doing of any other matter or thing which the Lender considers to be for the benefit or improvement of the security.

4 LEGAL CHARGE

The Borrower, with full title guarantee, charges the Property to the Lender by way of first legal mortgage with payment or discharge of all money and other obligations and liabilities in this deed covenanted to be paid or discharged by the Borrower or otherwise secured by this deed.

5 BORROWER'S REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender as set out in this clause 5 BORROWER'S REPRESENTATIONS AND WARRANTIES.

5.1 Permitted use

The present use of the Property is a permitted use within the provisions of the Planning Acts.

5.2 Development

The Borrower has not before the execution of this deed carried out any operation upon the Property or put the Property to any use which is a development within the

provisions of the Planning Acts and in respect of which any requisite permission has not been obtained or any valid enforcement order may be made.

5.3 Environmental matters

The Borrower has complied with environmental law and, in particular (but without prejudice to the generality of that representation and warranty) that no hazardous or toxic materials, substances, pollutants, contaminants or wastes have at any time before the execution of this deed been released into the environment or deposited, discharged, displaced or disposed of at or near the Property.

5.4 Contravention of other liabilities

The execution of and the observance and performance of the Borrower's obligations under this mortgage does not and will not contravene any other charge, mortgage, lease, loan facility or other agreement.

5.5 Capacity

The execution of and the observance of the Borrower's obligations under this mortgage does not and will not contravene any of the provisions of its constitution.

6 BORROWER'S COVENANTS AS TO THE PROPERTY

The Borrower covenants with the Lender as set out in this clause 6 BORROWER'S COVENANTS AS TO THE PROPERTY.

6.1 Repair

6.1.1 *Repairing obligation*

The Borrower will keep all buildings, fixtures and fittings, services and service media in, on or associated with the Property in good and substantial repair and good working order and condition.

6.1.2 *Inspection*

The Borrower will permit the Lender and his representatives at all reasonable times and upon reasonable notice to enter upon the Property or any part of it to inspect the state and condition of the buildings, fixtures and fittings, services and service media in, on or associated with the Property without the Lender becoming liable as mortgagee in possession.

6.1.3 *Entry and repair*

If the Borrower fails to maintain the buildings, fixtures and fittings, services and service media in, on or associated with the Property in the requisite state of repair and condition the Lender and his representatives may (but without being bound to do so) at any time thereafter enter upon the Property or any part of it and execute all remedial works that the Lender considers to be necessary and proper without the Lender thereby becoming liable as mortgagee in possession.

6.1.4 *Repayment of expenses*

The Borrower will on demand repay to the Lender all expenses incurred by the Lender in carrying out inspections and works permitted by clause 6.1.2 INSPECTION and clause 6.1.3 ENTRY AND REPAIR together with interest from the date when the Lender becomes liable for the same until repayment by the Borrower at the Interest Rate (such interest to be payable in the same manner as interest on the Principal) all of which money and interest shall be charged on the Property.

6.2 *Alterations*

The Borrower will not without the previous written consent of the Lender (and then only to the extent permitted by and in accordance with any conditions attached to the consent) make any structural or material alteration to, or pull down or remove any or any part of, any buildings, fixtures and fittings, services and service media in, on or associated with the Property.

6.3 *Insurance*

6.3.1 *Duty to insure*

The Borrower will:

6.3.1.1 ensure the Property is kept insured for such amount or amounts (including sums in respect of any loss of rent and any professional fees which may be incurred in or about repair, rebuilding or reinstatement), in such name or names, and against loss or damage due to such risks and with such underwriters as the Lender may in each case and from time to time approve in writing; and

6.3.1.2 make all payments required for this purpose as and when they become due and will when required by the Lender deliver to the Lender the policy of insurance and the receipt for each payment.

6.3.2 *Indemnity for payments by the Lender*

If the Borrower fails to perform any of his obligations under this clause 6.3 INSURANCE and if the Lender takes out any insurance on the Property or any part of it, the Borrower will on demand repay to the Lender all payments made by him for that purpose and will pay interest at the Interest Rate from the date of payment until repayment on any money not repaid on demand (such interest to be payable in the same manner as interest on the Principal) and all such money and interest shall be charged on the Property.

6.3.3 *Application of insurance money*

Any money received under any policy of insurance effected or maintained by the Borrower in respect of the Property (whether or not pursuant to his obligations under this clause 6.3 INSURANCE) shall, at the option and absolute discretion of the Lender, be applied either in

making good the loss or damage in respect of which it was received or in or towards discharge of the money due under this security, and if received by the Borrower will be held on trust for the Lender for this purpose.

6.4 Outgoings

The Borrower will punctually pay and indemnify the Lender against all rents, rates, taxes, levies, assessments, impositions and outgoings whatsoever (whether governmental, municipal, contractual or otherwise) which may be or may become imposed upon or payable in respect of the Property or any part of it.

6.5 General covenant to comply with statutes etc

The Borrower will ensure that any legislation, regulations or bye-laws for the time being in force applicable to the Property or to the employment of persons in the Property or the trade or business for the time being carried on there are complied with in all respects.

6.6 General covenant to produce notices etc

6.6.1 Production

The Borrower will immediately produce to the Lender any order, direction, permission, notice or other matter whatever affecting or likely to affect the Property and served upon the Borrower by any third party, and will allow the Lender to make a copy of it.

6.6.2 Compliance

The Borrower will comply with any order, direction, permission, notice or other matter referred to in clause 6.6.1 PRODUCTION without delay or, if the Lender so requires, will make or join with the Lender in making such objections or representations against or in respect of the same as the Lender may request or approve writing.

6.7 Specific covenants relating to planning and environmental matters

6.7.1 Alteration of present use of the Property

The Borrower will not use the Property for any purpose other than the present permitted use within the provisions of the Planning Acts except with the previous written consent of the Lender and the relevant planning authority and then only to the extent permitted by and in accordance with any conditions attached to such consent. The Borrower will deliver any such consent of the relevant planning authority to the Lender but shall be entitled to a copy of it.

6.7.2 No development without the Lender's consent

The Borrower will not without the previous written consent of the Lender (and then only to the extent permitted by and in accordance with any conditions attached to such consent) carry out any operation or use the

Property for any use which is a development within the provisions of the Planning Acts.

6.7.3 *Compliance with conditions of permission for development*

If the Borrower at any time obtains permission for any development of the Property within the provisions of the Planning Acts he will comply with all conditions subject to which such permission is granted.

6.7.4 *Compliance with environmental matters*

The Borrower will observe and perform all environmental laws, regulations, directives and codes of practice affecting the Property.

6.7.5 *Compliance with notices etc*

6.7.5.1 *Production*

If any valid enforcement or other notice, claim, order or proposal is made or served by the relevant authority under or by virtue of the Planning Acts or the Environmental Protection Act 1990 in relation to the Property the Borrower will immediately produce the same to the Lender and allow the Lender to take a copy of it.

6.7.5.2 *Compliance*

The Borrower will at his own expense in all respects comply with the requirements of any notice, order or proposal referred to in clause 6.7.5.1 PRODUCTION without delay and in any event within any time which may be specified for compliance. Alternatively, if the Lender so requires, the Borrower will make or join with the Lender in making such objections or representations as the Lender may request or approve against or in respect of any such notice, order or proposal.

6.7.5.3 *Failure to comply*

If the Borrower fails to take immediate steps to commence compliance or fails within the relevant time limit to conclude compliance with the requirements of any notice, order or proposal referred to in clause 6.7.5.1 PRODUCTION, the Lender may (but shall not be obliged to) at any time thereafter enter on the Property and execute any works and do anything on the Property necessary to ensure such compliance without the Lender thereby becoming liable as mortgagee in possession. All costs and expenses so incurred by the Lender will be repaid by the Borrower to the Lender on demand together with interest from the date when the Lender becomes liable for the same until repayment by the Borrower

at the Interest Rate (such interest to be payable in the same manner as interest on the Principal) all of which money and interest shall be charged on the Property.

6.7.5.4 Appointment of Lender as attorney

The Borrower irrevocably appoints the Lender and his substitutes for the time being to be the Borrower's attorney to apply for and procure on the Borrower's behalf any licences, permissions or other things from any competent authority necessary for the execution of the works authorised by this clause 6.7.5 COMPLIANCE WITH NOTICES ETC to be executed by the Lender on the default of the Borrower.

6.7.5.5 Costs of licences

All expenses incurred by the Lender in securing the licences, permissions and other things referred to in clause 6.7.5.4 APPOINTMENT OF LENDER AS ATTORNEY shall be treated as part of the cost of the works and such expenses and interest on them shall be charged upon the Property as provided by clause 6.7.5.3 FAILURE TO COMPLY.

6.8 Specific covenant in relation to compulsory purchase

6.8.1 Entry into negotiations

The Borrower will not without the previous consent in writing of the Lender (and then only to the extent permitted by and in accordance with any conditions attached to that consent) enter into any negotiations with any local or other authority for or consent to the compulsory acquisition of the Property either in whole or in part.

6.8.2 Conduct of negotiations

If the Lender so requires, the Borrower will permit the Lender to conduct the negotiations and grant the consent referred to in clause 6.8.1 ENTRY INTO NEGOTIATIONS on the Borrower's behalf.

6.8.3 Application of compensation

Any compensation payable to or received by the Borrower in respect of the compulsory acquisition of the Property or any part of it will, if so and to the extent required by the Lender, be applied in or towards the discharge of the money due under this security.

6.9 Leasing and disposal

The Borrower must not without the previous consent in writing of the Lender (and then only to the extent permitted by and in accordance with any conditions attached to such consent):

6.9.1 exercise or agree to exercise any power of leasing or of accepting surrenders of leases (whether conferred by statute or otherwise) or vary or agree to vary any lease or tenancy agreement or the amounts payable thereunder; or

6.9.2 otherwise part with or share possession or occupation of or dispose of or deal with the Property or any part of it or any interest in it.

6.10 Compliance with terms of conveyances etc

6.10.1 Observance

The Borrower will observe and perform the terms of all conveyances, grants, assignments, transfers, contracts and other deeds and documents from time to time affecting the Property and binding on the Borrower.

6.10.2 Indemnity

The Borrower will keep the Lender indemnified against all proceedings and claims on account of any breach of the terms of the documents referred to in clause 6.10.1 OBSERVANCE.

6.10.3 Charging provision

All expenses damages and costs incurred by the Lender in relation to any breach referred to in clause 6.10.2 INDEMNITY will be repaid by the Borrower to the Lender on demand together with interest from the date when the Lender becomes liable for the same until repayment by the Borrower at the Interest Rate (such interest to be payable in the same manner as interest on the Principal) all of which money and interest shall be charged on the Property.

6.11 Not to register

The Borrower must not without the previous consent in writing of the Lender cause or allow any person to be registered under the Land Registration Act 2002 as proprietor of the Property or any part of it.

6.12 Other charges

The Borrower shall not without the previous consent in writing of the Lender (and then only to the extent permitted by and in accordance with any conditions attached to such consent) create or permit to subsist any mortgage, pledge, charge, incumbrance, lien or other security interest in the Property other than this security.

7 LENDER'S POWERS AND RIGHTS

7.1 Exercise of statutory powers

7.1.1 Exclusion of Section 103

The Law of Property Act 1925 Section 103 shall not apply to this security.

7.1.2 Enforcement of security and exercise of power of sale

At any time after the money secured by this deed has become due and payable the security shall be immediately enforceable and the Lender's power of sale as amended or varied by this deed shall be immediately exercisable in respect of the whole or any part of the Property without the restrictions contained in the Law of Property Act 1925 as to the giving of notice or otherwise.

7.2 Extension of statutory powers

7.2.1 *Power of sale*

The power of sale conferred upon mortgagees by the Law of Property Act 1925 shall be extended so as to authorise any person exercising it to do so by selling the Property or any part of it in such manner and on such conditions as to payment of the purchase price and otherwise as the Lender may think fit.

7.2.2 *Powers of leasing and accepting surrenders*

By way of extension of the powers contained in the Law of Property Act 1925 Sections 99 and 100 the Lender shall at any time or times hereafter (and whether or not he has entered into or is in possession of the Property or has appointed a receiver who is still acting) be entitled to grant or vary or reduce any sum payable under, or accept surrenders of, leases of the Property or any part or parts of it or agree to do so without restriction in such manner and on such terms and conditions as the Lender shall think fit. For the purposes of the exercise of these powers the provisions of the Law of Property Act 1925 Section 99 shall be deemed to have been enacted with the omission of the Law of Property Act 1925 Section 99(18).

7.2.3 *General*

At any time after this security has become enforceable and notwithstanding the appointment of any receiver the Lender may at his absolute discretion exercise any power which a receiver appointed by him could exercise.

7.2.4 *Exclusion of liability*

The powers referred to in or granted or varied or extended by this clause 7.2 EXTENSION OF STATUTORY POWERS shall be exercisable free from any liability on the part of the Lender or the person exercising them to the Borrower or any other interested person, whether in contract, tort or otherwise.

7.3 Powers in respect of furniture and effects

7.3.1 *Power to remove and dispose*

At any time after this security has become enforceable the Lender may, as agent for and on behalf of the Borrower and at the expense of the

Borrower, remove, store, preserve, sell or otherwise dispose of any livestock or any furniture, effects, chattels or other items situate at or in the Property which are not charged by this mortgage.

7.3.2 *Exclusion of liability*

The Lender will have no liability to the Borrower for any loss incurred in connection with any removal, storage, preservation, sale or disposal referred to in clause 7.3.1 POWER TO REMOVE AND DISPOSE.

7.3.3 *Proceeds of sale*

To the extent the Borrower does not comprise an individual or individuals, the Lender will have the right to set off any proceeds of sale against the sums due under this security. To the extent the Borrower comprises an individual or individuals, the Lender will pay any net proceeds of any sale (after payment of removal, storage and preservation costs and the costs of the sale) to the Borrower on demand.

7.3.4 *Nature of security*

To the extent the Borrower comprises an individual or individuals, the provisions of this clause 7.3 POWERS IN RESPECT OF FURNITURE AND EFFECTS are not intended to grant to the Lender any rights in, or any charge or security over, any livestock, furniture, effects, chattels or other items or the proceeds of any sale of them so as to constitute this security a bill of sale.

7.4 *Power to appoint a receiver*

7.4.1 *Appointment*

At any time after this security becomes enforceable, or at the request of the Borrower, the Lender may by writing under hand appoint any person or persons to be a receiver of all or any part of the Property.

7.4.2 *Removal*

The Lender may at any time and from time to time by writing under hand remove any receiver so appointed and appoint another in his place or appoint an additional person as receiver.

7.4.3 *Remuneration*

The Lender may, either at the time of appointment or at any time subsequently and from time to time, fix the remuneration of any receiver so appointed.

7.4.4 *Restrictions*

None of the restrictions imposed by the Law of Property Act 1925 in relation to the appointment of receivers or as to the giving of notice or otherwise shall apply.

7.4.5 *Power to act severally*

Where more than one receiver is appointed they shall have the power to act severally.

7.4.6 Agency

Any receiver appointed under this clause 7.4 POWER TO APPOINT A RECEIVER shall be the agent of the Borrower for all purposes and the Borrower shall be solely responsible for his acts or defaults and for his remuneration.

7.4.7 General powers

Any receiver appointed under this clause 7.4 POWER TO APPOINT A RECEIVER shall have all the powers conferred on mortgagees or receivers by the Law of Property Act 1925 (but without the restrictions contained in the Law of Property Act 1925 Section 103) and on administrative receivers by the Insolvency Act 1986 Schedule 1 except to the extent to which those powers are expressly or impliedly excluded by the terms of this deed. In the event of ambiguity or conflict the terms of this deed will prevail.

7.4.8 Specific powers

In addition to the powers referred to in clause 7.4.7 GENERAL POWERS any receiver appointed under this clause 7.4 POWER TO APPOINT A RECEIVER shall have power at his discretion, to such extent and upon such terms as he may in his absolute discretion think fit, and notwithstanding the administration or liquidation or, as appropriate, bankruptcy, death or insanity of the Borrower, to do or omit to do anything which the Borrower could do or omit to do in relation to all or any part of the Property. In particular (but without limitation) any such receiver shall have the power:

- 7.4.8.1 to take possession of, collect and get in all or any part of the Property and for that purpose bring any proceedings in the name of the Borrower or otherwise;
- 7.4.8.2 to manage or carry on or concur in carrying on any business of the Borrower;
- 7.4.8.3 to raise or borrow money (whether from the Lender or otherwise) to rank for payment in priority to this security and with or without a charge on all or any part of the Property;
- 7.4.8.4 to sell (whether by public auction or private contract or otherwise), lease, vary, renew or surrender leases or accept surrenders of leases (without needing to observe the provisions of the Law of Property Act 1925 Sections 99 and 100) of, or otherwise dispose of or deal with all or any part of, the Property or of rights associated with all or any part of

the Property or to concur in so doing whether in the name or on behalf of the Borrower or otherwise;

- 7.4.8.5 to seize and sever all or any fixtures at or in the Property other than, to the extent the Borrower comprises an individual or individuals, trade machinery as defined by the Bills of Sale Act 1878 and sell the same separately from the Property or its site;
- 7.4.8.6 to settle, arrange, compromise or submit to arbitration any accounts, claims, questions or disputes whatsoever which may arise in connection with any business of the Borrower or the Property or in any way relating to this security;
- 7.4.8.7 to bring, take, defend, compromise, submit to arbitration or discontinue any actions, suits or proceedings whatsoever whether civil or criminal which may arise in connection with any business of the Borrower or the Property or in any way relating to this security;
- 7.4.8.8 to disclaim, abandon or disregard all or any outstanding contracts of the Borrower and to allow time for payment of any debts either with or without security;
- 7.4.8.9 to repair, insure, manage, protect, improve, enlarge, develop, build, complete or reconstruct or replace all or any part of the Property and to apply for and obtain any appropriate permissions, approvals, consents or licences;
- 7.4.8.10 to acquire by purchase, lease or otherwise any further property, assets or rights;
- 7.4.8.11 to appoint, employ and dismiss managers, officers, contractors and agents; and
- 7.4.8.12 to do (whether in the name of the Borrower or otherwise) all such other acts and things as he may consider necessary or desirable for the preservation, management, improvement or realisation of the Property or as he may consider incidental or conducive to any of the above matters or to the exercise of any of the above powers.

7.4.9 *Application of money*

All money received by any receiver shall be applied by him in the following order:

- 7.4.9.1 in payment of the costs, charges and expenses of and incidental to the appointment of the receiver and the exercise of all or any of his powers and of all outgoings paid by him (including preferential debts);
- 7.4.9.2 in payment to the receiver of such remuneration as may be agreed between him and the Lender at, or at any time and from time to time after, his appointment;
- 7.4.9.3 in or towards satisfaction of the amount owing on this security

with the surplus (if any) being paid to the Borrower or other persons entitled to it.

7.5 Right to consolidate

The Law of Property Act 1925 Section 93 (restricting the Lender's right of consolidation) shall not apply to this security.

8 PROTECTION OF THOSE DEALING WITH LENDER OR RECEIVER

No person dealing with the Lender or any receiver appointed by him shall be concerned bound or entitled to inquire or be affected by notice as to any of the following matters:

- 8.1 whether this security has become enforceable;
 - 8.2 whether any power exercised or purported to be exercised under this mortgage has arisen or become exercisable;
 - 8.3 the propriety, regularity or purpose of the exercise or purported exercise of any such power;
 - 8.4 whether any money remains due under the security; or
 - 8.5 the necessity or expediency of the stipulations and conditions subject to which any disposition shall be made
- and the receipt of the Lender or any receiver for any money shall effectually discharge the person paying from such matters and from being concerned to see to the application or being answerable for the loss or misapplication of such money.

9 INDULGENCE AND WAIVER

The Lender may at any time or times without discharging or diminishing or in any way prejudicing or affecting this security or any right or remedy of the Lender under this mortgage grant to the Borrower, or to any other person, time or indulgence, further credit, loans or advances or enter into any arrangement or variation of rights or, either in whole or in part, release, abstain from perfecting or enforcing or neglect or fail to perfect or enforce any remedies, securities, guarantees or rights which he may now or subsequently have from or against the Borrower or any other person.

10 DEMANDS AND NOTICES

10.1 Form and mode of deemed service

A demand or notice by the Lender under this mortgage must be in writing and shall be deemed to have been properly served on the Borrower if served personally on:

- 10.1.1 the Borrower if an individual; or
- 10.1.2 any one of the directors or the secretary of the Borrower if a limited company; or
- 10.1.3 any member of the Borrower if a limited liability partnership

or by first class letter post or fax addressed to the Borrower at or by delivery to his usual or last known place of abode or business or as appropriate its registered office or at any of its principal places of business.

10.2 Method of service

Service shall be deemed to be effected notwithstanding the death or as appropriate dissolution of the Borrower:

10.2.1 at 1000 hours on the second business day (being a day when the United Kingdom clearing banks are open for business in the City Of London) immediately following the day of posting if given by first class letter post irrespective of the time or date of actual delivery or of lack of delivery;

10.2.2 when dispatched if given by fax; and

10.2.3 when left at the property concerned if delivered.

10.3 Other methods of service

The methods of service described in clause 10.1 FORM AND MODE OF DEEMED SERVICE are in addition, and without prejudice, to any other method of service prescribed or permitted by law and in particular to the provisions of the Law of Property Act 1925 Section 196.

10.4 Multiple borrowers

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

11 VALIDITY AND SEVERABILITY

11.1 Enforceability

Each of the provisions of this mortgage is severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable the validity, legality and enforceability of the remaining provisions shall not be affected or impaired.

11.2 Lack of capacity

If this mortgage is executed by or on behalf of more than one person and any one or more of those persons is not bound by its provisions (whether by reason of lack of capacity or improper execution or for any other reason), the remaining parties shall continue to be so bound as if those who are not bound had not been parties to the security.

12 EXCLUSION OF THIRD PARTY RIGHTS

Nothing in this mortgage is intended to confer any benefit on any person who is not a party to it.

13 OVERNING LAW AND JURISDICTION

13.1 Construction

This mortgage shall be governed by and construed in accordance with English law.

13.2 Jurisdiction of English courts

It is irrevocably agreed for the exclusive benefit of the Lender that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this mortgage and that accordingly any suit, action or proceeding arising out of or in connection with this mortgage may be brought in such courts.

13.3 Jurisdiction of other courts

Nothing in this clause 13 GOVERNING LAW AND JURISDICTION shall limit the Lender's right to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

IN WITNESS whereof the parties hereto have hereunto set their hands the day and year first before written

SCHEDULE 1: THE PROPERTY

Belmont, 60 Marine Terrace, Aberystwyth, Ceredigion SY23 2BX (Title Number: WA599113)

SCHEDULE 2: THE STAGED PAYMENTS

2-1 Definitions

In this schedule the terms defined below have the meanings given in this paragraph.

2-1.1 'The Surveyor'

'The Surveyor' means Andrew Morgan of Morgan & Davies of 12 Harford Square, Lampeter, Ceredigion or any person or firm appointed by the Lender in his place.

2-1.2 'The Total Further Advance'

'The Total Further Advance' means £200,000 which represents the total agreed build costs for the Borrower's planned conversion and renovation works properly undertaken at the Property as agreed with the Lender and evidenced by the plans attached hereto

2-2 Agreement to make further advances


The Lender has agreed to lend the Borrower the Total Further Advance in addition to the Initial Advance on the following basis:

2-2.1 Every 4 weeks from the date hereof the Borrower, at his own cost, will arrange for the Surveyor to undertake a valuation inspection of the work completed at the Property and prepare a relevant report.

- 2-2.2 Upon receipt of the Surveyor's report, the Borrower will provide a copy to the Lender as soon as reasonably practicable.
- 2-2.3 Within 7 days of the Lender receiving a copy of the Surveyor's report, the Lender will pay to the Borrower a sum equal to the total value of the work as certified by the Surveyor's report.
- 2-2.4 For the avoidance of doubt, the Lender's obligation to make further advances under the terms of this Schedule is limited to the Total Further Advance.

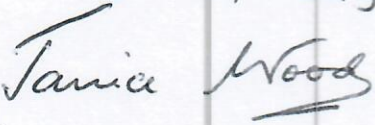
SIGNED as a Deed by
LLANILAR DEVELOPMENTS LIMITED
acting by a Director
in the presence of:

SIGNED as a Deed by
DAVID STEPHEN WOOD
in the presence of:



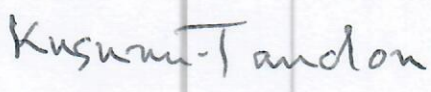
Andrew Thompson
6 Glanseilo
Penrhyncoch, Abergystwyth

SIGNED as a Deed by
JANICE WOOD
in the presence of:



Andrew Thompson
6 Glanseilo
Penrhyncoch
Abergystwyth

SIGNED as a Deed by
KUSUM TANDON
in the presence of:



Andrew Thompson
6 Glanseilo
Penrhyncoch
Abergystwyth

- 2-2.2 Upon receipt of the Surveyor's report, the Borrower will provide a copy to the Lender as soon as reasonably practicable.
- 2-2.3 Within 7 days of the Lender receiving a copy of the Surveyor's report, the Lender will pay to the Borrower a sum equal to 50% of the total value of the work as certified by the Surveyor's report.
- 2-2.4 For the avoidance of doubt, the Lender's obligation to make further advances under the terms of this Schedule is limited to the Total Further Advance.

SIGNED as a Deed by
LLANILAR DEVELOPMENTS LIMITED
acting by a Director
in the presence of:

K. Graw

KAREN EVANS

56 Portland Street

Abystwyth Licensed Conveyancer

SIGNED as a Deed by
DAVID STEPHEN WOOD
in the presence of:

SIGNED as a Deed by
JANICE WOOD
in the presence of:

SIGNED as a Deed by
KUSUM TANDON
in the presence of:

THIS AGREEMENT is made the 21st day of December 2017
BETWEEN:

- (1) **EMYR TUDFOR DAVIES** of 1 Cambridge Terrace, Aberystwyth, Ceredigion SY23 2HR ('the Guarantor')
- (2) **DAVID STEPHEN WOOD, JANICE WOOD and KUSUM TANDON** as Trustees of the Woods Building Supplies Pension Scheme c/o 21a Glanyrafon Industrial Estate, Llanbadarn Fawr, Aberystwyth, Ceredigion SY23 3JQ ('the Lender') and
- (3) **LLANILAR DEVELOPMENTS LIMITED** (company registration number 10172582) whose registered office is at Queensbridge Hotel, Victoria Terrace, Aberystwyth, Ceredigion SY23 2DH ('the Borrower')

RECITALS

- (1) The Lender and the Borrower have entered into a formal Legal Charge in respect of the property Belmont, 60 Marine Terrace, Aberystwyth Ceredigion SY23 2BX (Title Number: WA599113) on the date hereof ('the Legal Charge').
- (2) The Guarantor has agreed with the Lender that it will guarantee the payment by the Borrower of any sums (limited to £455,000 plus interest) to be paid by the Borrower under the Legal Charge and the performance of the Borrower's obligations under the Legal Charge subject to the provisions of this Agreement.

NOW IT IS AGREED as follows:

1 Guarantee

- 1.1 In consideration of the Lender agreeing to enter into the Legal Charge with the Borrower, The Guarantor:
 - (a) irrevocably and unconditionally guarantees as primary obligor and for the benefit of the Lender the payment by the Borrower of all monies (limited to £455,000 plus interest) to be paid by the Borrower under the Legal Charge at the times and the manner provided in the Legal Charge and the observance and performance to the Lender of the provisions contained or implied in the Legal Charge and on the part of the Borrower to be observed and performed; and
 - (b) as a separate and severable covenant agrees to indemnify the Lender and keep it indemnified from and against all losses, costs, charges and expenses (including legal expenses) whatsoever the Lender may suffer or incur by reason of the failure or default of the Borrower to pay all monies to be paid by it pursuant to the Legal Charge at the times and manner provided in the Legal Charge or to observe and perform the provisions and covenants contained or implied in the Legal Charge and on the part of the Borrower to be observed and performed.

- 1.2 The Guarantor declares and agrees:
- (a) to procure that the Borrower shall duly observe and perform all its obligations under the Legal Charge;
 - (b) that this guarantee and indemnity shall be a continuing guarantee and a continuing indemnity and that its liability under them shall not be affected or discharged by any indulgence or extension of time granted by the Lender to the Borrower or any variation of the provisions of the Legal Charge;
 - (c) that this guarantee and indemnity shall be joint and several;
 - (d) that this guarantee and indemnity shall continue if the Legal Charge is extended or renewed; and
 - (e) that in the event that the Borrower is wound up, the Guarantor shall not prove in any winding-up in competition with the Lender.
 - (f) that he has decided, of his own free will, to enter into this guarantee having received legal advice on the consequences of doing so.

1.3 Any amount not paid by the Borrower and not recoverable from the Guarantor on the basis of this Guarantee (whether because of any legal limitation, disability or incapacity on the part of the Borrower or any other matter or thing (whether known to the Lender or not)) shall nevertheless be recoverable from the Guarantor on the basis of an indemnity.

2 Law and jurisdiction

The validity, construction and performance of this Agreement shall be governed by England and Wales law and shall be subject to the exclusive jurisdiction of the courts in England and Wales to which the Parties submit.

IN WITNESS whereof the parties hereto have hereunto set their hands the day and year first before written

SIGNED as a Deed by
EMYR TUDFOR DAVIES
in the presence of:



K Evans

KAREN EVANS

56 Poinard Street

Abeyrswyre.

SY23 2DX.

Licensed Conveyancer