

DATED

12th February 2024

LOAN AGREEMENT

between

UK Coastal Developments Ltd

(as Chargor)

and

The Trustees of V & P Property Pension Fund

(as Charge Holder)

CHARGE OVER PROPERTY

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THIS DEED is made on: 12th February 2024

PARTIES

- (1)** UK COASTAL DEVELOPMENTS LTD (Company No 11860954) whose registered office is situate at 54 Wood Street, Lytham St. Annes, Lancashire FY8 1QG (**the "Chargor"**), and
- (2)** ROY KEEGAN of 13a The Avenue, Old Windsor, Berkshire SL4 2RS acting as and for the Trustees of V & P PROPERTY PENSION FUND (**the "Charge Holder"**).

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed, the following words and expressions have the following meanings:

"Act" means the Law of Property Act 1925;

"**Charged Property**" means the property at 243 Promenade, Blackpool, Lancashire FY1 6AH on which this Charge is secured on;

"**Default Rate**" means, in relation to any amount not paid on its due date by the Chargor, 1% per annum over the base rate from time to time of The Royal Bank of Scotland plc;

"Enforcement Event" means any of the following events:

- (a) the failure by the Chargor to pay when due any of the Secured Liabilities; or
- (b) any event which causes the Charge Holders reasonably to believe that the Charged Property is in danger of seizure, distress, diligence or other legal process or that this Security is otherwise for any reason in jeopardy;

"**Secured Liabilities**" means each and every liability which the Chargor may now or hereafter have to the Charge Holders for borrowed money, and whether for principal, interest or otherwise now or hereafter owing due or incurred by the Chargor to the Charge Holders in respect of any such liabilities together with all sums covenanted in this Deed to be paid by the Chargor to the Charge Holders;

"**Security**" means the security from time to time constituted by, or pursuant to, this Deed;

"**Security Interest**" means any mortgage, charge, pledge, hypothecation, lien, assignment, title retention, option, right of set-off, security interest, trust arrangement and any other preferential right or agreement to confer security and any transaction which, although in legal terms is not a secured borrowing, has an economic or financial effect similar to that of a secured borrowing.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Charge Holders are satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full;

"Tax" means and includes any present or future tax (including Value Added Tax), levy, impost, duty, charge, fee, deduction or withholding of any nature and any interest or penalty in respect thereof; and

"Winding-up" of a person means the administration, amalgamation, reconstruction, reorganisation, dissolution, liquidation, merger or consolidation of that person, and any equivalent or analogous procedure under the laws of any jurisdiction and a reference to **the commencement** of any of these includes a reference to the presentation of a petition to a court of competent jurisdiction or the passing of a resolution by the person for, or with a view to, any of them.

1 Interpretation

In this Deed, unless the context requires otherwise:

- 1.2.1 references to **the Chargor or the Charge Holder** shall be construed so as to include her or their successors in title and permitted assignees and transferees;
- 1.2.2 references to Clauses are to clauses of this Deed;
- 1.2.3 headings to Clauses and the contents page are for convenience only and are to be ignored in construing this Deed;
- 1.2.4 references to a **"person"** are to be construed so as to include any individual, firm, company, government, state or agency of a state, local or municipal authority, or any joint venture, association or partnership (whether or not having separate legal personality);
- 1.2.5 subject to Clause 4, references to any statute or statutory provision are to be construed as references to the same as it may have been, or may from time to time be, amended or re-enacted, and include references to all bylaws, instruments, orders and regulations for the time being made thereunder or deriving validity therefrom;
- 1.2.6 any reference to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of a jurisdiction other than England, be deemed to include that which most nearly approximates in that jurisdiction to the English legal term;
- 1.2.7 in this Deed the masculine gender shall also include the feminine and neuter genders and vice versa;
- 1.2.8 references in this Deed to this **"Deed"** or any other deed, agreement or instrument are references to this Deed, the relevant deed, agreement or instrument as amended, supplemented, replaced or novated from time

to time and include references to any document which amends, supplements, replaces, novates or is entered into, made or given pursuant to, or in accordance with, this Deed, the relevant deed, agreement or instrument; and

- 1.2.9 references in this Deed to **"including"** and **"in particular"** (and other cognate references) shall be construed as not limiting any general words or expressions in connection with which they are used.

1.3 Law of Property (Miscellaneous Provisions) Act 1989

The terms of any agreements between the parties hereto in relation to the Secured Liabilities are incorporated in this Deed to the extent required to ensure that any disposition of the Charged Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.4 Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this Deed shall not under the Contracts (Rights of Third Parties) Act 1999 be entitled to enforce or enjoy the benefit of any of the terms of this Deed, except the Receiver, its directors, employees and agents and any delegate or sub-delegate appointed pursuant to Clause 9.

1.5 The Charge Holders' discretion

Any liberty or power which may be exercised or any determination which may be made under this Deed by the Charge Holders may be exercised or made in their absolute and unfettered discretion without any obligation to give reasons therefor.

2. CHARGING PROVISIONS

The Chargor with full title guarantee charges in favour of the Charge Holders for the payment and discharge of the Secured Liabilities by way of an equitable charge over the Charged Property.

3. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

3.1 Negative pledge and disposal restrictions

The Chargor shall not at any time, except with the prior express written permission of the Charge Holder:

- 3.1.1 create, purport to create or permit to subsist any Encumbrance on, or in relation to, the Charged Property over the terms of this Deed; or
- 3.1.2 sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property; or
- 3.1.3 create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party.

4. CERTIFICATIONS, REPRESENTATIONS AND WARRANTIES

4.1 Nature and timing

The representations and warranties set out in this Clause 3 are made in favour of the Charge Holders with the knowledge and intention that the Charge Holders are relying on and shall rely on them throughout the Security Period.

5. SECURITY TO BECOME ENFORCEABLE

5.1 Powers arising

The Secured Liabilities shall be deemed to have become due and payable, and the power of sale and other powers conferred on mortgagees by section 101 of the Act as varied and extended by this Deed shall arise, immediately on execution of this Deed by the Chargor.

5.2 Powers exercisable

This Security shall become enforceable without notice to the Chargor on or any time after an Enforcement Event has occurred.

6. POWERS OF CHARGE HOLDERS

6.1 Powers

The Charge Holders shall have the powers conferred by the Act (as in force at the date of this Deed) and may exercise those powers in the name of the Chargor and shall in addition have the following powers:

- 6.1.1 in connection with any sale or other disposition of the Charged Property, to receive the consideration therefore in a lump sum or in instalments;

7. LIABILITY OF CHARGE HOLDERS

7.1 Receipts

The Charge Holders shall not:

- 7.1.1 be liable to account to the Chargor for anything except their actual receipts arising from the exercise of their powers under this Deed; or
- 7.1.2 be liable to the Chargor for any loss or damage arising from:
 - (a) any act, default or omission of the Charge Holders in relation to the Charged Property; or
 - (b) any exercise or non-exercise by the Charge Holders of any power, authority or discretion conferred on them in relation to the Charged Property under this Deed or the Act.

7.2 Protection of the Charge Holders

The Charge Holders shall be entitled to all the privileges and immunities which the Act confers on mortgagees under the Act.

8. APPLICATION OF PROCEEDS OF REALISATION

8.1 Order of application

All monies received by the Charge Holders shall, after this Security becomes enforceable and subject to the payment of any claims having priority to this Security, be applied in the following order (but without prejudice to the right of the Charge Holders to recover any shortfall from the Chargor and notwithstanding any purported appropriation by the Chargor):

8.1.1 **first**, in payment of the costs of realisation, including any costs and expenses of, or incidental to, any exercise of any power conferred by this Deed;

8.1.2 **secondly**, in or towards the payment of any debts or other amounts which are in law payable in preference to the Secured Liabilities; and

8.1.3 **thirdly**, in or towards satisfaction of the Secured Liabilities in such order (as to principal or interest) as the Charge Holders shall, in their absolute discretion, determine,

and the surplus (if any) shall be paid to the Chargor or such other person as may be entitled to that surplus.

8.2 Variation of statutes

Clause 8.1 shall take effect as a variation of sections 99 to 109 of the Act, which as so varied are deemed incorporated into this Deed.

8.3 Contingencies

If the Charge Holders enforces this Security at a time when no Secured Liabilities are due but at a time when Secured Liabilities may or will become so due, the Charge Holders may, out of the proceeds of any recoveries effected by the Charge Holders, retain such amount as the Charge Holders consider appropriate in order to provide adequate cash cover for the contingent or future liability.

9. DELEGATION

9.1 Method of appointment

The Charge Holders may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by any of them under this Deed in relation to the Charged Property.

9.2 Terms of delegation

Any such delegation may be made on the terms (including power to sub-delegate) and subject to any regulations which the Charge Holders may think fit, and may

be made either by deed or by instrument in writing under the hand of the Charge Holders or any person so authorised in writing in that behalf by the Charge Holders.

9.3 Liability of Charge Holder

The Charge Holders shall not be liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

9.4 Liability of delegates and sub-delegates

Clause 7.1 shall apply in respect of the liability of any delegate or sub-delegate referred to in this Clause 9 in all respects as though every reference in Clause 7.1 to the Charge Holders were instead a reference to such delegate or sub-delegate.

10. PROTECTION OF THIRD PARTIES

10.1 Contractual

No person dealing with the Charge Holders, a delegate or sub-delegate, or their agents will be concerned to enquire:

- 10.1.1 whether the Security Period continues;
- 10.1.2 whether the Secured Liabilities have become payable or have been paid;
- 10.1.3 whether any power, authority or discretion which the Charge Holders, the delegate or sub-delegate is purporting to exercise has become exercisable or has been properly exercised; or
- 10.1.4 how any monies paid to the Charge Holders, the delegate or sub-delegate are to be or have been applied.

10.2 Statutory

The protection given to purchasers in sections 104 and 107 of the Act shall apply equally to purchasers and any other persons dealing with the Charge Holders.

10.3 Monies paid by the Charge Holders

All principal monies, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer shall be paid by the Chargor to the Charge Holders on demand.

11. POWER OF ATTORNEY

11.1 Appointment

The Chargor hereby by way of security and in order more fully to secure the performance of its obligations under this Deed irrevocably appoints the Charge Holders and every delegate or sub-delegate to be his attorney acting severally, and on his behalf and in his name or otherwise:

- 11.1.1 to execute and do all such assurances, acts and things which the Chargor ought to do under this Deed;
- 11.1.2 to exercise the powers, authorities and discretions conferred by or pursuant to this Deed or by statute on the Charge Holders, delegate or sub-delegate; and
- 11.1.3 to sell and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which they may deem proper in or for the purpose of exercising any of such powers, authorities and discretions.

11.2 *Ratification*

The Chargor hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in this Clause 10 shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause.

11.3 *General power*

The appointment under Clause 11.1 shall operate as a general power of attorney made under section 10 of the Powers of Attorney Act 1971.

12. **SUBSEQUENT SECURITY INTERESTS**

If the Charge Holders shall at any time receive or be deemed to have received notice of any Security Interest affecting the Charged Property or any assignment or transfer thereof which is prohibited by this Deed, then unless the Charge Holders gives express written notice to the Chargor to the contrary, all payments by or on behalf of the Company to the Charge Holders shall be credited or treated as having been credited to any advance made by the Charge Holders to or any liability of the Company to the Charge Holders arising after such time and not as having been applied in reduction of the Secured Liabilities at such time.

13. **INDEMNITIES AND EXPENSES**

13.1 *General indemnity*

The Chargor shall, on demand, indemnify the Charge Holders, and any person for whose liability, acts or omissions the Charge Holders may be answerable from and against all liabilities, costs, charges, losses, expenses, legal and other professional fees (including Tax) suffered or incurred by any of them arising from or as a result of:

- 13.1.1 the exercise or the purported exercise of any powers, authorities or discretions conferred on any of them under or by virtue of this Deed;
- 13.1.2 any matter or thing done or omitted to be done under, or in any way relating to, this Deed;
- 13.1.3 any breach, non-observance or non-performance by the Chargor of any of its covenants, undertakings, obligations, representations or warranties under this Deed;
- 13.1.4 the making good of any such breach, non-observance or non-performance;
- 13.1.5 the enforcement of this Deed; or

13.1.6 any action, claim or proceeding relating to any of the above.

13.2 *Obligation to pay*

The Chargor shall, in accordance with Clause 13.5, pay to the Charge Holders:

13.2.1 1 the items of expenditure set out in Clause 13.3; and

13.2.2 the amount referred to in Clause 13.4.

13.3 *Identification of expenses*

The items of expenditure referred to in Clause 13.2.1 are all expenses (including, without limitation, legal and out-of-pocket expenses on a full indemnity basis) incurred by the Charge Holders in connection with:

13.3.1 the preparation, negotiation and execution of this Deed;

13.3.2 the preparation and negotiation of documentation relating to any amendment or extension of this Deed, regardless of the form which such documentation takes and whether or not such documentation is acceptable to, and/or executed by, any or all parties to that documentation;

13.3.3 the granting, preparation and documenting of any waiver, approval, consent, confirmation or release under, or in respect of, this Deed;

13.3.4 any investigation or due diligence into the financial or other condition of the Company or into ascertaining whether or not the Chargor has complied or is complying with this Deed;

13.3.5 the contemplation of the enforcement of any rights or the exercise of any powers under this Deed or in investigating any possible breach by the Chargor of this Deed;

13.3.6 any proceedings (legal or otherwise) involving the Charge Holders in connection with this Deed or the Charged Property, whether such proceedings are brought by the Chargor or a third party; and

13.3.7 the matters referred to in Clause 12.

13.4 *Stamp duties and other payments*

In addition, the Chargor shall pay an amount equal to any stamp duties, search fees, registration fees and duties payable in connection with this Deed and any penalties with respect to, or resulting from, delay or omission to pay any such duties or fees.

13.5 *Time for payment*

The Chargor shall, on first demand, pay or reimburse the Charge Holders for the items of expenditure referred to in Clause 13.3 and any amount referred to in Clause 13.4.

13.6 *Interest*

If the Chargor fails to pay any sum to be paid under this Deed when due, the Chargor shall pay the Charge Holders interest thereon at the Default Rate from the date due until the date of payment.

14. **EFFECTIVENESS OF SECURITY**

14.1 *Continuing security*

This Security is a continuing security and will not be considered satisfied by any intermediate payment or settlement of account or otherwise, but will remain in force until the end of the Security Period.

14.2 *Rights additional*

The rights of the Charge Holders under this Deed are in addition to any guarantee, other rights or Security Interest, present or future, held by the Charge Holders from the Chargor or any other person in respect of the payment or discharge of the Secured Liabilities and will not merge with, or prejudice or be prejudiced by, any guarantee, such rights or Security Interest or by any dealing with, exchanging, releasing, modifying or abstaining from perfecting or enforcing any of them, and this Deed may be enforced against the Chargor without first having recourse to the Company or any guarantee, other rights or Security Interest in favour of the Charge Holders.

14.3 *Other dealing*

This Security and its validity shall not in any way be prejudiced or affected by the Charge Holders dealing with, exchanging, releasing, modifying or abstaining from perfecting or enforcing any Security Interest, guarantee or other rights or remedies referred to in Clause 14.2 or by giving time for payment or indulgence or compounding with any other person liable.

14.4 *Perpetuity period*

The perpetuity period for the trusts contained in this Deed is 80 years from the date of this Deed.

15. **RELEASE OF SECURITY**

On the expiry of the Security Period, the Charge Holders shall, at the request and cost of the Chargor and without any warranty or representation, release the Charged Property from this Security.

16. **MISCELLANEOUS**

16.1 *1 Certificate of Charge Holders*

The certificate of the Charge Holders as to:

- 16.1.1 any matter in relation to this Deed which is to be designated, calculated, decided, determined or certified by the Charge Holders under, or in respect of, this Deed; or

- 16.1.2 the amount at any time of the Secured Liabilities or any other amount payable under this Deed; or any rate of exchange or currencies,

shall be conclusive and binding on the Chargor unless there is an obvious error.

16.2 *Severability*

If a provision of this Deed is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the validity or enforceability in that jurisdiction of any other provision of this Deed.

16.3 *Waivers, remedies cumulative*

The rights of the Charge Holders under this Deed:

- 16.3.1 may be exercised as often as the Charge Holders consider necessary or desirable;
- 16.3.2 are cumulative and not exclusive of their respective rights under any applicable law; and
- 16.3.3 may be waived only in writing and specifically.

16.4 *Delay*

Delay in exercising or the non-exercise of any right of the Charge Holders under this Deed is not a waiver of that right.

16.5 *Liability of the Trustees*

The Chargor acknowledges that the Charge Holders are contracting solely as the Trustees of the scheme and that their liability under this Deed is limited to the assets of the scheme.

17. **ASSIGNMENTS, TRANSFER, ETC**

17.1 *Chargor*

The Chargor may not assign, transfer or otherwise dispose of any of his rights or obligations under this Deed.

17.2 *Charge Holders*

The benefit of this Deed may be assigned in whole or in part by the Charge Holders without regard to any set-off, counterclaim or equities between the Chargor and the Charge Holders or any intermediate holder.

17.3 *Disclosure of Information*

The Charge Holders shall be entitled to disclose any information concerning the Chargor to a person to whom the Charge Holders have assigned or purported to assign the benefit of this Deed or to any person who may otherwise enter into or proposes to enter into contractual relations with the Charge Holders in relation to this Deed.

18. NOTICES

18.1 *Communications to be in writing*

Each communication to be made under this Deed shall be made in writing but, unless otherwise stated, may be made by facsimile or letter.

18.2 *Delivery of communications*

Any communication or document to be made or delivered by one person to another under this Deed shall (unless that other person has by 15 days' written notice to the other party specified another address) be made or delivered to that other person at the facsimile number or address identified with that person's signature below and shall be deemed to have been made or delivered when receipt has been acknowledged (in the case of any communication by facsimile) or (in the case of posting) two working days after being deposited in the post postage prepaid in an envelope addressed to that person at that address provided that:

- 18.2.1 any communication or document to be made or delivered to the Charge Holders shall be effective only when received by the Charge Holders; and
- 18.2.2 any communication or document made or delivered after normal business hours in the place of receipt shall not be deemed to be made or delivered until opening of business on the next working day in such place.

19. COUNTERPARTS

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

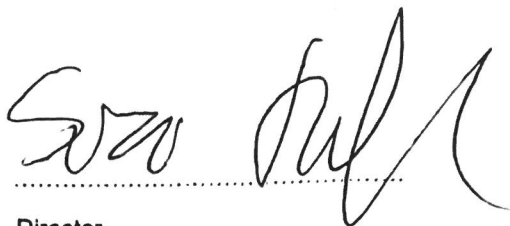
20. LAW

This Deed shall be governed by English law.

IN WITNESS WHEREOF this Deed has been executed as a Deed by the Chargor and the Charge Holders and is intended to be and is hereby delivered on the date stated at the beginning of this Deed.

THE CHARGOR

Signed by Rafael Suski
for and on behalf of UK Coastal
Developments Ltd



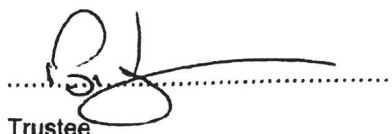
Director



245-249 PRIN
BLACK BOX
FRI 6AM

THE CHARGE HOLDER

Signed by Roy Keegan
Acting for and as Trustee of the
V & P Property Pension Fund



Trustee

In the presence of

ELIZABETH REED

Witness Name

Elizabeth Reed

13B THE AVENUE
OLD WINSTON
SILVER

Witness Address