



**Registration of a Charge**

Company name: **THE ROYAL NATIONAL INSTITUTE FOR DEAF PEOPLE**

Company number: **00454169**



X56FFCX5

Received for Electronic Filing: **06/05/2016**

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**Details of Charge**

Date of creation: **04/05/2016**

Charge code: **0045 4169 0007**

Persons entitled: **THE CHARITY BANK LIMITED**

Brief description: **(1) THE FREEHOLD PROPERTIES KNOWN AS (A) ST CHRISTOPHER'S HOUSE, 15 SEA ROAD, WEST ON SEA, KENT CT8 8SA REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER K362531; (B) RADCLIFFE HOUSE, 232 CANTERBURY ROAD, WESTGATE ON SEA, KENT CT8 8LG REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER K858009; (C) ST. GABRIEL'S HOUSE, 44 ELM GROVE, WESTGATE ON SEA, KENT CT8 8LB REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER K351808; (D) WESTCLIFFE VILLA, 37A SEA ROAD, WESTGATE ON SEA, KENT CT8 8QW (AS MORE PARTICULARLY DESCRIBED IN A TRANSFER OF PART DATED 4 MAY 2016 BETWEEN INTER ALIA THE ROYAL SCHOOL FOR DEAF CHILDREN MARGATE AND THE CHARGOR); (E) DANE END, 1 DANE END, WESTGATE ON SEA, KENT CT8 8PH REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER K81979; (F) 13 WILBURY GARDENS, HOVE, EAST SUSSEX BN3 6HQ REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER ESX121926; AND (G) ROPER HOUSE, ST DUNSTAN'S STREET, CANTERBURY, KENT CT2 8BZ REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER K964825; AND SHALL INCLUDE ALL BUILDINGS, STRUCTURES, FIXTURES (INCLUDING TRADE AND TENANT'S FIXTURES) FROM TIME TO TIME ON OR IN ANY SUCH PROPERTY; (2) ALL RIGHT TITLE AND INTEREST TO AND IN ANY PROCEEDS OF ANY ACTIVITIES FROM TIME TO TIME HELD UPON THE PROPERTIES; (3) ANY GOODWILL EXISTING FROM TIME TO TIME ATTACHING TO THE PROPERTIES BY REASON OF THE CARRYING ON AT THE PROPERTIES ANY BUSINESS OR A PREDECESSOR IN THAT BUSINESS; (4) ANY SHARE HELD IN ANY**

TENANT'S OR OCCUPIER'S MANAGEMENT COMPANY AFFECTING THE PROPERTIES OR ANY ESTATE OF WHICH THE PROPERTIES FORMS PART; (5) THE BENEFIT OF THE LICENCES, WHICH INCLUDES (BUT IT NOT LIMITED TO) JUSTICES LICENCES, SUPPER HOURS LICENCES, GAMING LICENCES, EXTENDED HOURS LICENCES, PREMISES LICENCES AND ANY CERTIFICATE OF REGISTRATION IN RESPECT OF A NURSING HOME OR A RESIDENTIAL HOME OR ANY LICENCES REQUIRED OR RELATED TO THE COMPANY'S BUSINESS OR USE OF THE CHARGED ASSETS CHARGED BY THE LEGAL CHARGE, AND THE RIGHT TO RECOVER AND RECEIVE ANY COMPENSATION PAYABLE IN RESPECT OF ANY LICENCES; AND (6) ALL THE RIGHT TITLE AND INTEREST TO RECEIVE ALL RENTS AND OTHER PAYMENTS UNDER ANY LEASE OF THE PROPERTIES UNDER WHICH THEY ARE ENTITLED TO RECEIVE AS LANDLORD AND TO HOLD THE SAME UNTO THE CHARGEES ABSOLUTELY SUBJECT TO RE-ASSIGNMENT ON REDEMPTION.

Contains fixed charge(s).

Contains negative pledge.

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## Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

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## 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: **BATES WELLS BRAITHWAITE**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 454169

Charge code: 0045 4169 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th May 2016 and created by THE ROYAL NATIONAL INSTITUTE FOR DEAF PEOPLE was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th May 2016 .

Given at Companies House, Cardiff on 9th May 2016

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

**This Deed of Legal Charge (Charity Chargor)**

made the

4th

day of

May

BETWEEN

CERTIFIED

To be a true copy of the original

2016  
Bates Wells & Braithwaite London LLP

Registered OC325522

Dated 4/5/16

- (1) **THE ROYAL NATIONAL INSTITUTE FOR DEAF PEOPLE TRADING AS ACTION ON HEARING LOSS**, a company limited by guarantee registered in England and Wales with company number 454169 and registered with the Charity Commission with registered charity number 207720 and with the Office of the Scottish Charity Regulator with registered number SC038926, whose registered office address is 19-23 Featherstone Street, London EC1Y 8SL ("the Chargor")
- (2) **THE CHARITY BANK LIMITED** (CRN 4330018) whose registered office is at Fosse House, 182 High Street, Tonbridge, TN9 1BE ("the Bank")

**WHEREAS**

- (A) The Chargor holds the Property and is a registered Charity.
- (B) The Bank holds this Charge as security agent and trustee for themselves and Big Society Capital Limited and any other Lender pursuant to the Facility Agreement.

**WITNESSES as follows:-**

**1. COVENANT TO PAY**

The Chargor covenants with the Bank to pay or discharge to the Bank on demand the Chargor's Indebtedness

**2. CHARGING CLAUSE**

- 2.1 The Chargor with full title guarantee charge and mortgage by way of legal mortgage to the Bank as a continuing security for the payment and discharge on demand of the Indebtedness:-

- 2.1.1 the Property;
- 2.1.2 all right title and interest to and in any proceeds of any activities from time to time held upon the Property;
- 2.1.3 any goodwill existing from time to time attaching to the Property by reason of the carrying on at the Property any business or a predecessor in that business;
- 2.1.4 any share held in any tenant's or occupier's management company affecting the Property or any estate of which the Property forms part;
- 2.1.5 the benefit of the Licences and the right to recover and receive any compensation payable in respect of the Licences;
- 2.1.6 all the right title and interest to receive all rents and other payments under any lease of the Property under which they are entitled to receive as landlord and to hold the same unto the Bank absolutely subject to re-assignment on redemption;

**3. UNDERTAKINGS AND COVENANTS**

The Chargor undertakes and covenants with the Bank: -

- 3.1 It will not, without the prior written consent of the Bank, either in a single transaction or in a series of transactions whether related or not and whether voluntarily or involuntarily, sell or

transfer the Charged Assets, provided that disposal of the Charged Assets (excluding the Property) will be permitted in the ordinary course of the Chargor's business.

- 3.2 It will comply with all covenants, agreements, stipulations and obligations now or at any time affecting or binding Charged Assets insofar as the same are subsisting and are capable of being enforced, and it will duly and diligently enforce all covenants, agreements, stipulations and obligations benefiting a Charged Assets and will not waive, release or vary (or agree to do so) the obligations of any other party thereto.
- 3.3 It will not grant or enter into (or agree to grant or enter into) any Lease of the Property without the prior written consent of the Bank unless the Lease:
  - 3.3.1 is for a term of less than two years;
  - 3.3.2 is to a beneficiary of the Chargor;
  - 3.3.3 does not afford the tenant or occupier security of tenure; and
  - 3.3.4 is by way of Assured Shorthold tenancy or, if not a tenancy, some other recognised occupation arrangement form.
- 3.4 It will keep each Charged Asset in good and substantial repair and condition and, promptly after being required to do so by the Bank, make good any want of repair of a Charged Asset or renew when necessary.
- 3.5 Where the Property is subject to a Lease, it will:
  - 3.5.1 diligently enforce the terms of the Lease against the lessee;
  - 3.5.2 not allow any assignment or underletting of the Lease without the prior written consent of the Bank (which will not be unreasonably withheld);
  - 3.5.3 not waive, release or vary any obligation under, or agree to any surrender of, the Lease or exercise any option or right to break, determine or extend the Lease;
  - 3.5.4 not agree to any reduction in the rent or other income payable under the Lease;
  - 3.5.5 not waive, release or vary any obligation under the Lease.
- 3.6 Where it derives its estate or interest in the Property under a Lease, it will:
  - 3.6.1 observe and perform all covenants, stipulations and obligations on the lessee under the Lease;
  - 3.6.2 diligently enforce all covenants on the part of the lessor under the Lease;
  - 3.6.3 not waive, release or vary any obligation under the Lease or exercise any option or power to break, determine or extend the Lease;
  - 3.6.4 not agree to any change in the rent payable under the Lease without the prior written consent of the Bank;
  - 3.6.5 not do or permit anything whereby the Lease may be forfeited; and
  - 3.6.6 promptly notify the Bank of any matter or event under or by reason of which the Lease has or may become subject to determination or to the exercise of any right of re-entry or forfeiture and, if so requested by the Bank, the Chargor will apply for relief against forfeiture in accordance with the instructions of the Bank.
- 3.7 It will pay when due all ground rents, rates, taxes, assessments and outgoings payable in respect of the Property whether by the owner or occupier.
- 3.8 It will not, without the prior written consent of the Bank carry out any structural alterations, additions, demolition, reconstruction or rebuilding on or of the Property or make any material

change in use of the Property, other than minor works that do not adversely affect the structural integrity of any building or the value of the Property.

- 3.9 It will not, without the prior written consent of the Bank agree to enter, into any agreement or undertaking under any Planning Act in relation to the Property.
- 3.10 It will comply with all laws relating to or affecting the Property including, without limitation, the Planning Acts and Environmental Law.
- 3.11 It will not to do or permit to be done anything which may in any way adversely affect the value of a Charged Asset or jeopardise, depreciate or otherwise prejudice any rights or assets secured in favour of the Bank.
- 3.12 If requested by the Bank, the Chargor will procure that any professional advisers appointed in connection with construction work on the Property enter into a Professional Warranty with the Bank covering their respective professional obligations to the Bank in a form satisfactory to the Bank.
- 3.13 The Chargor will obtain and maintain any permits, registrations, licences, exemptions, consents or other approvals required for its business or in respect of a Charged Asset (and file any notification, report or assessment required under) any Environmental Law.
- 3.14 If requested by the Bank, the Chargor will provide the Bank with an environmental audit report for the Property carried out by a specialist surveyor or consultant and will implement any steps recommended to be implemented in any such report as soon as reasonably practicable.
- 3.15 It will allow the Bank, and/or any person authorised by the Bank, to enter the Property to examine its state and condition or for any other purpose permitted by or connected with any Facility Agreement, without thereby becoming a mortgagee in possession.
- 3.16 If at the date of this Legal Charge or during its subsistence the Property is intended to be developed (or is in the course of development), to proceed with and complete such development with all due diligence and to the satisfaction of the Bank and the relevant planning and other authorities, and in all respects in accordance with the relevant planning permissions, building regulation approvals and any other agreements with the relevant authorities (all of which shall have been previously submitted to and approved by the Bank), and also in accordance with any agreements entered into between the Bank and the Chargor.
- 3.17 If there is any breach of its obligations under any Facility Agreement, the Bank may carry out such works, or take such other action or steps as the Bank considers appropriate to remedy the breach.
- 3.18 If any part or interest in the Property is compulsorily purchased or is expropriated, any payment paid to it will be applied in or towards repayment of the Chargor's Indebtedness unless the Bank agrees otherwise in writing.
- 3.19 It will not create or permit to subsist any security, mortgage, charge, security agreement, guarantee, pledge, lien on any Charged Asset.
- 3.20 It requests:
  - 3.20.1 the Land Registry to enter a restriction in the following form in the Proprietorship Register of any registered land forming part of the Property:

"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 [ ] in favour of the Bank referred to in the Charges Register."

and

- 3.20.2 the Land Registry to enter the obligation to make further advances on the Charges Register of any registered land forming part of the Property on receipt of an application.
- 3.21 It will immediately upon the execution of this Legal Charge (or upon coming into the possession of a Chargor at any time) deposit with the Bank all deeds, certificates and other documents constituting or evidencing title to any asset which is subject to fixed security in favour of the Bank.
- 3.22 It will, promptly on the request of the Bank from time to time, give notice of assignment or charge (in such form as the Bank may require) in respect of any asset which is the subject of an assignment or charge pursuant to a Facility Agreement and will use all reasonable endeavours to procure that the recipient of that notices acknowledges receipt in a form satisfactory to the Bank.
- 3.23 It will do all acts and execute all documents (including mortgages, charges, transfers, assurances, assignments notices and instructions) as the Bank may from time to time require in relation to the Charged Assets:
- 3.23.1 to secure the Chargor's Indebtedness or perfect or preserve the Security Documents created or intended to be created by any Facility Agreement; and/or
- 3.23.2 for the exercise of the rights, powers and remedies of the Bank or a Receiver provided by or pursuant to any Facility Agreement or by law; and/or
- 3.23.3 to facilitate the realisation of a Charged Asset.
- 3.24 It will effect and maintain or ensure that there is effected and maintained at all times with an insurance company acceptable to the Bank insurance in the names of the Chargor and the Bank as co-insured (or if co-insurance is not available, in the name of the Chargor with the interest of the Bank noted) in respect of
- 3.24.1 the Property (including in respect of any Licences and any fixtures, equipment, furniture, plant or machinery in which it has an interest), against the Insured Risks to the full reinstatement value thereof (including the cost of demolition and professional fees) and the loss of rent, Licences, or business interruption cover for not less than three years; and
- 3.24.2 the Charged Assets to the full reinstatement value thereof.
- 3.25 The Bank may, if it considers that the amount insured by, or the risks covered by, any such Insurance Policy are inadequate, require the Chargor to increase the amount insured by, and/or amend the category of risks covered by, any such Insurance Policy to such extent and in such manner as the Bank may consider appropriate and the Chargor will promptly comply with such requirement.
- 3.26 It will notify the Bank of renewals made and material variations or cancellations of Insurance Policies made or, to the knowledge of the Chargor, threatened or pending.
- 3.27 It will not do or permit anything to be done which may make void or voidable any Insurance Policy.
- 3.28 It will use all reasonable endeavours to ensure at all times that all Insurance Policies contain terms providing that it will not be invalidated so far as the Bank is concerned for failure to pay any premium due without the insurer first giving to the Bank not less than 30 days' written notice or for breach by the Chargor of any of the terms of the policy.
- 3.29 It will duly and punctually pay all premiums and other monies payable under all Insurance Policies and promptly, upon request by the Bank, produce to the Bank a copy or sufficient extract of every Insurance Policy together with the premium receipts or other evidence of the payment thereof.
- 3.30 It will notify the Bank promptly of any event giving rise to a claim on any Insurance Policy in excess of 5% of the Chargor's Indebtedness.

- 3.31 If the Chargor do not comply with its obligations in respect of any Insurance Policy, the Bank may (without any obligation to do so) effect or renew any such Insurance Policy either in its own name or in its name and that of the Chargor with an endorsement of the Bank's interest and the monies expended by the Bank on so effecting or renewing any such insurance will be reimbursed by the Chargor to the Bank on demand.
- 3.32 Subject to the terms of the Insurance Policy and any Lease, all proceeds of insurance will be used, at the option of the Bank in or towards reinstatement or repayment of the Chargor's Indebtedness.
- 3.33 All premiums and other expenses incurred by the Bank in connection with the insurance of the Charged Assets that shall be paid or reimbursed by the Chargor to the Bank immediately after they are paid or incurred by the Bank.
- 3.34 The Bank shall have full power to settle and adjust with the insurers all questions with respect to the amount of any liability of the insurers and the Chargor irrevocably appoint the Bank by way of security as the attorney of the Chargor on behalf of and in the name of the Chargor and to receive and give a good discharge for any monies arising in respect of the Charged Assets under any Insurance Policy, whether effected by the Bank or not.
- 3.35 The Bank may retain for its absolute use and benefit all sums allowed to the Bank by way of commission and otherwise in respect of insurance or other business of the Chargor effected through the Bank.
- 3.36 To comply with all legislation relating to Charged Assets and the Property or its use or anything on or done on the Property including (but without prejudice to the generality of the foregoing) the Town and Country Planning Act 1990, the Planning Compensation Act 1991, the Factories Acts, the Offices Shops and Railway Premises Act 1963, the Health and Safety at Work etc. Act 1974, the Food Safety Act 1990, the Environmental Protection Act 1990 and the Water Resources Act 1991.
- 3.37 To carry out all works, and maintain all arrangements which any relevant public or statutory authority may require recommend or direct to be carried out or maintained in relation to the Property or anything on or done on the Property.
- 3.38 To notify the Bank immediately upon the receipt of any notice, order, complaint or summons (or proposal for the same) from any statutory or other authority relating to the Property or its use or to anything on or done on the Property and to produce a copy of the same to the Bank, and at the request of the Bank (but at the cost of the Chargor) to make or join with the Bank in making such objections to or representations against the same as the Bank shall require.
- 3.39 To produce to the Bank a copy of all environmental reports or audits obtained or received by the Chargor in respect of the Property, and on request to produce to the Bank such other documents or information relating to the Property or the development thereof as the Bank shall require.
- 3.40 If the Chargor is in breach of any legislation, to carry out with all reasonable speed such remedial work as the Bank or any Receiver shall require and, in default, the Bank or any Receiver may (but shall not be obliged to) enter the Property and carry out such remedial work at the expense of the Chargor.
- 3.41 To permit any authorised representative of the Bank or any Receiver to enter the Property for any reasonable purpose (including checking whether or not the Chargor is in breach of any legislation relating to the Property or its use or anything on or done on the Property, and carrying out at the expense of the Chargor environmental reports or audits), and to inspect the state of the same, and to provide to the Bank or any Receiver such information in relation to the Property as it or he shall reasonably request.
- 3.42 The Bank shall have the right to require a valuation of the Property once in any period of 36 months at the cost of the Chargor. The Bank may require a valuation of the Property at any other time and the cost of that valuation shall be borne by the Bank unless, at that time, an Event of Default is continuing (or is, in the Bank's opinion, likely to occur) or the valuation discloses a breach of any financial covenant which is set out in the Facility Agreement.
- 3.43 Any valuation obtained by the Bank is for the purposes of making or continuing to make the Loan available to the Chargor and no responsibility is implied or accepted by the Bank with



respect to the valuation or condition of the Property by reason of such inspection and valuation report or the Bank's willingness to lend on the Property. The Chargor bears the risk of all defects affecting the Property however severe and whether or not it was careless for the Bank or a valuer to have missed or not referred to them. Any exclusions of responsibility or liability set out in any valuation report is given by the Bank both on its own behalf and on behalf of its employees and any valuer.

- 3.44 The Chargor must provide to the Bank at least once in every 12 calendar month period, a schedule detailing each tenant of the Property, the rent and service charge paid and payable by each tenant and the insurance premia paid and payable in respect of the Property together with a copy of the current insurance schedule for the Property.
- 3.45 The Chargor will, on demand, indemnify the Bank against any cost, loss or liability (including any breakage costs and loss of margin) incurred by the Bank as a result of:
- 3.45.1 the occurrence of any Event of Default or investigating any event which it reasonably believes is a Event of Default or is likely to give rise to an Event of Default;
  - 3.45.2 any failure by the Chargor to pay any amount due under a Facility Agreement on its due date;
  - 3.45.3 the Loan not being made on the date requested by the Chargor by reason or the operation of any one or more of the provisions of the Facility Agreement or any part of the Loan not being prepaid in accordance with any notice of prepayment given by the Chargor or being repaid on its due date;
  - 3.45.4 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or
  - 3.45.5 any claim, proceeding or investigation under any Environmental Law in connection with the Chargor or the Property.

Such cost, loss or liability may include, without limitation the cost of having to liquidate or re-deploy funds acquired or committed to make, fund or maintain the Loan or any part of it, or liquidating or varying transactions entered into in order to match, hedge or fund the Loan or any part of it.

- 3.46 The Chargor will, on demand, pay to the Bank the amount of all costs and expenses (including legal fees) incurred by the Bank in connection with the enforcement of, or the preservation any rights under, any Facility Agreement and any Security Document.
- 3.47 The Chargor will, as soon as reasonably practicable after receiving a request from the Bank provide to the Bank details of all occupiers and tenants of the Property

#### 4. REMEDIES AND RIGHTS OF THE BANK AND RECEIVERS

- 4.1 This Legal Charge is immediately enforceable at any time after the occurrence of an Event of Default whereupon the Bank may, without notice to the Chargor, in its absolute discretion:
- 4.1.1 enforce all or any part of this Legal Charge (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of any asset which is secured in favour of the Bank; and
  - 4.1.2 whether or not it has appointed a Receiver, exercise all or any of the powers, authorisations and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Legal Charge) on mortgagees and by any Facility Agreement on any Receiver or otherwise conferred by law on mortgagees or Receivers.
- 4.2 The Bank may at any time while this Legal Charge is enforceable by notice to the Chargor convert any floating charge granted by the Chargor with immediate effect into a fixed charge as regards any asset which is the subject of the floating charge or which is specified in the notice.
- 4.3 Without prejudice to any rule of law which may have a similar effect, any floating charge constituted under this Legal Charge will automatically be converted (without notice) with

immediate effect into a fixed charge as regards all assets the subject of the floating charge upon the occurrence of:

- 4.3.1 the presentation of an application to the court for the making of an administration order in relation to the Chargor; or
- 4.3.2 any person (who is entitled to do so) gives notice of its intention to appoint an administrator to the Chargor or files such a notice with the court.
- 4.4 The Bank shall not be entitled to exercise its rights hereunder where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.
- 4.5 The power of sale or other disposal conferred on the Bank and on the Receiver by any Facility Agreement shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Chargor's Indebtedness shall be deemed due and payable for that purpose) on execution of this Legal Charge.
- 4.6 Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Legal Charge or to the exercise by the Bank of its right to consolidate all or any of the security constituted by this Legal Charge with any Security Document in existence at any time or to its power of sale, which powers may be exercised by the Bank without notice to the Chargor on or at any time after the occurrence of an Event of Default.
- 4.7 The statutory powers of leasing may be exercised by the Bank at any time on or after the occurrence of an Event of Default and the Bank and the Receiver may make any Lease or agreement for lease, accept surrenders of Leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925.
- 4.8 The protection given to purchasers from a mortgagee in Sections 104 and 107 of the Law of Property Act 1925 and Section 42(3) of the Insolvency Act 1986 will apply equally to purchasers and any other persons dealing with a Receiver or the Bank and no purchaser or other person dealing with the Bank or any Receiver will be bound to see or inquire whether the right of the Bank or such Receiver to exercise any of its or his powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Bank or such Receiver in such dealings.
- 4.9 No person advancing monies or making available credit to any Receiver will be concerned to enquire as to the propriety or purpose of the exercise of the Receiver's powers or to see to the application of any monies so raised or borrowed.
- 4.10 Neither the Bank nor any Receiver will be liable to account as mortgagee or mortgagee in possession in respect of any asset which is secured in favour of the Bank or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever in connection with any asset which is secured in favour of the Bank for which a mortgagee or mortgagee in possession might as such be liable.
- 4.11 The Bank and any Receiver may from time to time delegate by power of attorney or otherwise to any person any of the powers and discretions of the Bank or the Receiver under any Facility Agreement (whether arising by statute, the provisions of any Facility Agreement or otherwise) upon such terms and for such periods of time as it may think fit and may determine any such delegation. Neither the Bank nor any Receiver will be liable to the Chargor for any loss or damage arising from any act, default, omission or misconduct of any such delegate and references in this Legal Charge to the Bank or to any Receiver will where the context so admits include references to any such delegates so appointed.
- 4.12 The Chargor will not have the power pursuant to Section 99 of the Law of Property Act 1925, to grant any Lease in respect of the Property without the prior consent of the Bank.
- 4.13 The powers conferred hereunder or by any Facility Agreement on the Bank and any Receiver are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or

otherwise by law and in the case of any conflict between the powers contained in any such Act and those conferred by this Legal Charge the terms herein will prevail.

## 5. APPOINTMENT AND POWERS OF RECEIVER

5.1 The Bank may at any time after having been requested to do so by the Chargor or after this Legal Charge becomes enforceable, by deed or otherwise (acting through an authorised officer of the Bank), without prior notice to the Chargor:

5.1.1 appoint one or more persons to be a Receiver of the whole or any part of any asset which is secured in favour of the Bank;

5.1.2 remove (so far as it is lawfully able) any Receiver so appointed;

5.1.3 appoint another person(s) as an additional or replacement Receiver(s); and/or

5.1.4 appoint one or more persons to be an administrator of the Chargor.

5.2 Each person appointed to be a Receiver pursuant to this Legal Charge will be:

5.2.1 entitled to act individually or together with any other person appointed or substituted as Receiver;

5.2.2 deemed for all purposes to be the agent of the Chargor shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Bank; and

5.2.3 entitled to remuneration for his services at a rate to be fixed by the Bank from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

5.3 The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Bank under the Law of Property Act 1925 (as extended by this Legal Charge) the Insolvency Act 1986 (as extended by this Legal Charge) or otherwise and such powers shall remain exercisable from time to time by the Bank in respect of any part of any asset which is secured in favour of the Bank.

5.4 Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up, dissolution, death or mental incapacity of the Chargor ) have and be entitled to exercise, in relation to any asset which is secured in favour of the Bank in respect of which he was appointed, and as varied and extended by the provisions of this Legal Charge (in the name of or on behalf of the Chargor in his own name and, in each case, at the cost of the Chargor):

5.4.1 all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;

5.4.2 where the Chargor is a body corporate, all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986;

5.4.3 all the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor itself could do or omit to do; and

5.4.4 the power to do all things (including bringing or defending proceedings in the name or on behalf of the Chargor) which seem to the Receiver to be incidental or conducive to:

5.4.4.1 any of the functions, powers, authorities or discretions conferred on or vested in him;

5.4.4.2 the exercise of any rights, powers and remedies of the Bank provided by or pursuant to this Legal Charge or by law (including realisation of all or any part of any asset which is secured in favour of the Bank); or

5.4.4.3 bringing to his hands any assets of the Chargor forming part of, or which when got in would be, the assets secured in favour of the Bank.

- 5.5 The receipt of the Bank or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of any asset which is secured in favour of the Bank or making any acquisition, the Bank or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.
- 5.6 No purchaser or other person dealing with the Bank or any Receiver shall be bound to inquire whether the right of the Bank or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Bank or such Receiver in such dealings.
- 5.7 Any liberty or power which may be exercised or any determination which may be made under this Legal Charge by the Bank or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.
- 5.8 The Bank will not incur any liability (either to the Chargor or to any other person whatsoever) in respect of any contracts, engagements, acts, omissions, defaults or losses of a Receiver or for any liabilities incurred by him or for any misconduct by him or for his remuneration by reason of its appointing a Receiver or of its having made or given any regulation or direction to the Receiver for any other reason whatsoever.
- 5.9 The provisions of this Legal Charge will not confer on the Bank any right in equity to any fittings, furniture, vehicles, goods, livestock, equipment or materials so far as this Legal Charge constitutes a Bill of Sale.

## 6. ORDER OF PAYMENTS AND APPLICATION OF PROCEEDS

- 6.1 If the Bank receives a payment that is insufficient to discharge all of the Chargor's Indebtedness the Bank shall apply that payment towards the Chargor's Indebtedness in such order as the Bank requires.
- 6.2 All moneys received or recovered by the Bank or any Receiver pursuant to this Legal Charge or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied towards the following items in the following order:
- 6.2.1 first, in the payment of all costs, charges and expenses of and incidental to the Receiver's appointment and his remuneration;
- 6.2.2 second, in the payment or the discharge of any liabilities incurred by a Receiver in the exercise of any powers of the Receiver;
- 6.2.3 third, in providing for the matters (other than the remuneration of the Receiver) specified in the first three paragraph of Section 109 (8) of the Law of Property Act 1925 (in or towards any payment of any debts or claims which are by statute payable in preference to the Bank but only to the extent to which such debts or claims shall have such preference);
- 6.2.4 fourth, in or towards the satisfaction of the Chargor's Indebtedness in such order as the Bank shall direct; and
- 6.2.5 thereafter, any surplus being paid to the person then entitled to such surplus.

The above shall override any appropriation made by the Chargor.

## 7. SECURITY POWER OF ATTORNEY

- 7.1 The Chargor by way of security agrees to irrevocably appoint the Bank and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable to:

- 7.1.1 carry out or fulfil any obligation imposed on the Chargor by any Facility Agreement or by this Legal Charge (including the execution and delivery of any deeds, charges, assignments, notices or other security and any transfers of any asset which is secured in favour of the Bank); and/or
- 7.1.2 enable the Bank or any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to any Facility Agreement, by this Legal Charge or by law (including, after any Facility Document becomes enforceable, the exercise of any right of a legal or beneficial owner of any asset which is secured in favour of the Bank).
- 7.2 The Chargor agree to ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.
- 8 WAIVER OF DEFENCES
- 8.1 The obligations of the Chargor under any Facility Agreement and/or this Legal Charge shall not be affected by any act, omission, matter or thing which would reduce, release or prejudice any of its said obligations including:
- 8.1.1 any time, waiver or consent granted to, or composition with the Chargor or other person;
- 8.1.2 the release of the Chargor or any other person under the terms of any composition or arrangement with any creditor of the Chargor;
- 8.1.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of the Chargor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 8.1.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person;
- 8.1.5 any amendment (however fundamental) or replacement of any Facility Agreement or any other Security Document;
- 8.1.6 any unenforceability, illegality or invalidity of any obligation of any person under any Facility Document or any other document or security; or
- 8.1.7 any insolvency or similar proceedings.
9. NO LIABILITY
- None of the Bank, its nominees or any Receiver will be liable by reason of taking any action permitted by any Facility Agreement and/or this Legal Charge or any neglect or default in connection with any asset which is secured in favour of the Bank or taking possession of or realising all or any part of any asset which is secured in favour of the Bank, except in the case of gross negligence or wilful default upon its part.
10. CONSOLIDATION AND SET OFF
- 10.1 This Legal Charge and each Security Document shall be security not only for the moneys primarily provided for it but also for all moneys which may be or become owing by the Chargor to the Bank on any account and (save at the discretion of the Bank) no Charged Asset held by the Bank shall be released until the Chargor's Indebtedness has been paid in full.
- 10.2 The Chargor authorises the Bank to apply any credit balance to which the Chargor is entitled on any account of the Chargor with the Bank in satisfaction of the Chargor's Indebtedness.
- 10.3 All payments to be made to the Bank under the Facility Documents shall be calculated and made without (and free and clear of any deduction for) set-off or counterclaim.

- 10.4 The Bank may at any time after the making of a demand for payment (and without notice to the Chargor) combine or consolidate all or any of the then existing accounts between the Bank and the Chargor (including accounts in the name of the Chargor jointly with another), and may set-off or transfer any sum standing to the credit of any one or more of such accounts in or towards satisfaction of the Chargor's Indebtedness.

## 11 PAYMENTS

- 11.1 All payments by the Chargor to the Bank must be made to such account as the Bank may notify to the Chargor from time to time. Time of payment is of the essence. Payments are sent at the risk of the Chargor and the Bank is not responsible for loss of or delay to payments sent by or to the Chargor.

- 11.2 Sterling is the currency of account and payment for any sum due from the Chargor save that:

11.2.1 each payment in respect of costs, expenses or taxes shall be made in the currency in which the costs, expenses or taxes are incurred; and

11.2.2 any amount expressed to be payable in a currency other than sterling shall be paid in that other currency.

## 12. CONTINUING SECURITY AND AMOUNT DUE

- 12.1 Without prejudice to the generality of Clause 2, this Legal Charge secures all advances already made and to be made, and shall be a continuing security to the Bank notwithstanding any settlement of account or other matter whatsoever.

- 12.2 This Legal Charge shall not be considered as satisfied or discharged by an intermediate payment, repayment or discharge of the whole or any part of the Chargor's Indebtedness.

- 12.3 A certificate signed by an official or manager of the Bank as to the amount of the Chargor's Indebtedness shall be conclusive evidence save in the case of manifest error or on any question of law.

## 13. NOTICE OF CHARGE OR DISPOSAL

- 13.1 On receiving notice that the Chargor has encumbered or disposed of the Property or any of the Charged Assets, the Bank shall be entitled to close the Chargor's then current account or accounts and to open a new account or accounts with the Chargor and (without prejudice to the Bank's right to combine accounts) no monies paid in or carried to the Chargor's credit in any such new account(s) shall be appropriated towards, or have the effect of discharging, any part of the amount due to the Bank on such closed account(s).

- 13.2 If the Bank does not open such new account or accounts, it shall nevertheless be treated as if it had done so at the time when it received such notice.

- 13.3 As from that time, all payments made by the Chargor to the Bank shall be credited or be treated as having been credited to such new account or accounts, and shall not operate to reduce the amount due from the Chargor to the Bank at the time when it received such notice.

## 14 OTHER PROVISIONS

- 14.1 If the Bank considers that any amount paid to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the Chargor under this Legal Charge this Legal Charge will continue and such amount will not be considered to have been irrevocably paid.

- 14.2 Neither the obligations of the Chargor contained under this Legal Charge nor the rights, powers and remedies conferred in respect of that Chargor upon the Bank by any Security Document or by law shall be discharged, impaired or otherwise affected by:

14.2.1 the winding-up, dissolution, administration or reorganisation of the Chargor or any other person or any change in its status, function, control or ownership;

- 14.2.2 any of the Chargor's Indebtedness or any of the obligations of the Chargor to the Bank being or becoming illegal, invalid, unenforceable or ineffective in any respect;
- 14.2.3 any time or other indulgence being granted or agreed to be granted to the Chargor or any other person in respect of any of the Chargor's Indebtedness or under any other security;
- 14.2.4 any amendment to, or any variation, waiver or release of, any of the Chargor's Indebtedness or of any person under any other Security Document;
- 14.2.5 any failure to take, or fully to take, any security agreed to be taken in relation to any of the Chargor's Indebtedness;
- 14.2.6 any failure to realise or fully to realise the value of, or any release, discharge, exchange or substitution of, any Security Document taken in respect of any of the Chargor's Indebtedness; or
- 14.2.7 any other act, event or omission which, but for this Clause 14.2, might operate to discharge, impair or otherwise affect any of the obligations of the Chargor contained in this Legal Charge or any of the rights, powers or remedies conferred upon the Bank by a Security Document or by law.
- 14.3 The Bank and any Receiver may as the agent of the Chargor remove, store, sell, dispose of, use or otherwise deal with the Equipment or other items at the Property on such terms as the Bank or any Receiver shall think fit.
- 14.4 The net proceeds of sale of the Equipment (after deduction of all costs incurred by the Bank or any Receiver of and/or ancillary to such removal, storage, sale or disposal) shall be paid by the Bank or any Receiver to the Chargor as soon as reasonably practicably after demand.
- 15 CERTIFICATE OF NON-CONTRAVENTION

The Chargor certifies that this charge does not contravene any of the provisions of the Chargor's Rules or other constitution as the case may be.
- 16. ASSIGNMENT
- 16.1 The Bank may at any time:
  - 16.1.1 assign all or any of its rights and benefits under this Legal Charge; or
  - 16.1.2 transfer or otherwise dispose of all or any of its rights, benefits and obligations under this Legal Charge to any bank or financial institution as determined by the Bank.
- 16.2 The Chargor may not assign or transfer any of its rights, benefits or obligations under this Legal Charge save with the prior written consent of the Bank.
- 17. DEMANDS AND NOTICES
- 17.1 Any demand or notice given by the Bank to the Chargor under this Legal Charge may be:
  - 17.1.1 by letter addressed to them sent by first class post to or left at the last known address to the Bank or at the registered office; or
  - 17.1.2 by fax or other electronic means to the last known fax number or electronic mail address.
  - 17.1.3 If sent by post, the demand or notice will be taken to have been made or given at noon the second day following the date the letter was posted. If sent by fax or other electronic means, the demand or notice will be taken to have been made or given at the time of transmission.
- 17.2 Unless otherwise advised by the Bank any notices given to the Bank under this Legal Charge will be delivered to the Bank's office detailed on the front of this Legal Charge.

18. DEFINITION INTERPRETATION ETC

18.1 In this Legal Charge where the context so admits: -

"the Chargor" includes its successors and assigns his/their executors and administrators and (in addition) any committee receiver administrator or other person lawfully acting on behalf of every such party (though no personal liability shall attach to any authorised agent or attorney signing as such) and if this Legal Charge is executed by two or more parties the word "Chargor" shall be construed to refer to each of such parties separately as if each such party had executed a separate charge in the form of this Legal Charge;

"the Chargor's Indebtedness" means

- (a) all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and of whatsoever amount) (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to the Bank by the Chargor whether or not the Bank shall have been an original party to the relevant transaction;
- (b) all monies and liabilities due from the Chargor under the Facility Agreement;
- (c) All costs, charges and expenses incurred hereunder by the Bank and/or or any Receiver, and all other monies paid by the Bank and/or any Receiver in connection with this Legal Charge or the Property or the Charged Assets including without prejudice to the generality of the foregoing, the costs shall include all costs incurred by or charged to the Bank (on a full indemnity basis) in taking, perfecting, enforcing or exercising (or attempting to perfect, enforce or exercise) any power under this Legal Charge including against the Chargor or arising out of any default of the Chargor;
- (d) interest discount commission or other lawful charges and expenses which the Bank may, in the course of its business, charge in respect of any of the matters aforesaid or for keeping the Chargor's accounts(s), and so that interest shall be computed and compounded according to the usual mode of the Bank as well after as before any demand or judgment or the insolvency of the Chargor;

"the Charged Assets" means the Property and any other assets (if any) charged by this Legal Charge;

"Environmental Laws" means all laws, directives, regulations and codes of practice having effect in the United Kingdom from time to time which either legislate for or which in any way directly or indirectly concern the protection of the environment, human health, conditions in the workplace or the generation, transportation, storage, treatment or disposal of substances of any description which either alone or in combination with other substances are capable of causing harm to any living organism or to material objects or structures;

"the Equipment" means all unfixed plant and machinery implements, utensils, furniture, equipment, stock in trade, work in progress and other chattels and equipment of the Chargor now or in the future in on or about the Property, and includes any part or parts thereof;

"Event of Default" means:

- (a) an Event of Default under the Facility Agreement occurs;
- (b) any of the Chargor's Indebtedness is not paid or discharged when the same ought to be paid or discharged by the Chargor (whether on demand, at schedule maturity, by acceleration or otherwise, as the case may be); or
- (c) the Chargor is in breach of any of its obligations under a Security Document or the Chargor is in breach of any of its obligations under this Legal Charge and that breach (if capable of remedy) has not been remedied to the satisfaction of the Bank within 14 days of notice by the Bank to the Chargor to remedy the breach; or
- (d) there occurs one of the events of default set out in the offer of loan or loans made or to be made by the Bank to the Chargor;



"Facility Agreement" means any letter of offer, facility letter or offer to make further loans to the Chargor in which the Bank agrees to provide loan facilities or other financial accommodation to the Chargor (as amended, supplemented or varied from time to time);

"Insurance Policy" means each contract or policy of insurance or assurance in which the Chargor has an interest;

"Insured Risks" means fire, explosion, collision, impact, storm, flood, lightning, landslip, subsidence, burst pipes, malicious damage, acts of terrorism, three months' loss of rent, third party and public liability and such other risks as the Bank may from time to time reasonably require;

"Lease" means any lease, underlease, sub-lease, licence, tenancy or right to occupy all or any part of the Property and any agreement for the grant of a Lease;

"this Legal Charge" shall be construed as including each separate or independent stipulation or agreement herein contained;

"Licences" includes (but is not limited to) justices licences, supper hours licences, gaming licences, extended hours licences, premises licences and any certificate of registration in respect of a nursing home or a residential home or any Licences required or related to the Chargor's business or use of the Charged Assets.

"Loan" means the loan or loans made or to be made by the Bank and The Bank to the Chargor pursuant to the terms of the Facility Agreement or the principal amount of that loan outstanding for the time being;

"person" includes any person, firm, company, corporation, government, state or agency of a state, association, unincorporated body of persons, trust or partnership (whether or not having a separate legal personality) and any two or more of the foregoing;

"Planning Acts" means the Town and Country Planning Act 1990, The Planning (Listed Buildings and Conservation Areas) Act 1990, The Planning (Hazardous Substances) Act 1990, The Planning (Consequential Provisions) Act 1990, The Planning and Compensation Act 1991, The Planning and Compulsory Purchase Act 2004, Section 33 of the Local Government (Miscellaneous Provisions) Act 1982, Sections 38 or 278 of the Highways Act 1980 and any other statute or subordinate legislation, bylaws, building regulations and other provisions of general law of a similar nature;

"Professional Warranties" means each deed of collateral warranty granted in favour of the Bank by (but not limited to) any architect, building contractor, engineer, quantity surveyor, construction manager or other person employed by the Chargor, or a third party in respect of the Property;

"the Property" means the property referred to in the Schedule and shall include all buildings, structures, fixtures (including trade and tenant's fixtures) from time to time on or in any such property;

"Receiver" means any person, whether or not an employee or officer of the Bank, appointed by the Bank as a receiver and/or manager of the Security given by the Chargor to the Bank, whether such appointment is pursuant to the Law of Property Act 1925 or otherwise;

"Security Document" means each Legal Charge, Security Agreement, Professional Warranty and any other document creating or purporting to create security over assets of the Chargor as security for the Chargor's Indebtedness;

"Security Assignment" means the assignment by way of security to the Bank (as Security Trustee) of the benefit of construction contracts and professional appointments relating to works to be funded under the Facility Agreement.

"the Bank" means The Charity Bank Limited and includes persons deriving title under the Bank its successors and assigns and any company with which it may amalgamate.

18.2 Where "the Chargor" includes two or more persons or bodies: -

- 18.2.1 the liabilities of such persons or bodies shall be joint and several, and any event referred to in this Legal Charge shall be deemed to have happened if it happens in relation to any one of those persons or bodies;
- 18.2.2 all monies, obligations and liabilities due, owing or incurred by the Chargor to the Bank shall mean all monies, obligations and liabilities of all, or any one or more, of such persons or bodies to the Bank.
- 18.3 Where "the Chargor" or "the Chargee" are the trustees of an unincorporated association, covenants and obligations entered into by them are entered into so as to bind the trustees and the members of such association from time to time and the assets of such association, but not so as to make the trustees personally liable beyond the extent to which such assets are (or ought to be) under the control of such trustees or otherwise available to satisfy such covenants.
- 18.4 Where a restrictive obligation is imposed on the Chargor, it shall be deemed to include an obligation on the Chargor not to permit or suffer such restrictive obligation to be done by any other person.
- 18.5 The singular shall include the plural and the masculine the feminine and neuter and vice versa.
- 18.6 The Clause headings in this Legal Charge are for ease of reference and do not affect the construction of the relevant Clauses.
- 18.7 Each of the provisions of this Legal Charge shall be severable and distinct from one another and if one or more of such provisions is invalid or unenforceable the remaining provisions shall not in any way be affected.
- 18.8 Reference to any Act or legislation includes reference to the Act or legislation as for the time being amended, replaced or re-enacted and includes reference to any sub-ordinate legislation (including any European Community law which is applicable in the United Kingdom) order regulation or direction made under or by virtue of that Act or legislation.
- 18.9 As a separate independent stipulation the Chargor agrees that any indebtedness or liability incurred or purported to be incurred by the Chargor or by any person purporting to act on behalf of the Chargor, which is not recoverable from the Chargor because of any legal limitation, disability or incapacity on or of the Chargor or any other act or circumstance, whether known to the Bank or the Chargor or not, shall nevertheless be recoverable in relation to this security, which in any such case is to stand as security to the Bank for such indebtedness or liability as though it had been incurred by the Chargor and the Chargor were the sole or principal debtor in respect of it.
- 18.10 Effects of bankruptcy etc
- 18.10.1 If the Chargor becomes bankrupt or has a bankruptcy order made against him or makes an offer of composition or arrangement with his creditors or the Bank may prove for the whole of the money owing by the Chargor in the same manner as if this security had not been created, and may agree to receive any composition in respect of it and receive and retain the whole of the dividends, composition or other payments in respect of it and apply them in or towards satisfaction of any money due from the Chargor.
- 18.10.2 The Chargor may not claim to have the benefit of any such proof, dividends, composition or other payments in reduction of the amounts receivable by virtue of this security, or the benefit of any other security which the Bank may now or subsequently hold, until Unit has received the full amount then due to it. The Bank may enforce such security notwithstanding any such proof, dividends, composition or other payments as stated above and notwithstanding any such security.
- 18.10.3 Any settlement or discharge between the Bank and the Chargor shall be subject to the condition that no security or payment to the Bank by the Chargor shall be subject to the condition that no security or payment to the Bank by the Chargor or any other person is voided or reduced by virtue of any provisions or enactments relating to administration, bankruptcy, liquidation or insolvency for the time being in force. If any such security or payment is so voided or reduced, the Bank shall be entitled to

recover the value or amount of it from the Chargor subsequently just as if such settlement or discharge had occurred.

- 18.11 This security shall not be affected or prejudiced by the Bank holding or taking any other or further securities or guarantees, or by its varying, releasing, exchanging, enforcing or omitting or neglecting to enforce any such securities or guarantees, or by varying, renewing or determining any credit in each case either to the Chargor, or by renewing bills of exchange, promissory notes or other negotiable instruments or giving time for payment or granting any other indulgence to or making any other arrangement with or accepting any composition, in each case either from the Chargor or any person or persons liable on any bills of exchange, promissory notes or other negotiable instruments or securities or guarantees held or to be held by the Bank, or by any other act or thing which (apart from this clause) would or might afford an equitable defence to a surety.

#### 19. GOVERNING LAW

This Legal Charge is governed by and will be construed in accordance with English Law and the Chargor submits to the non-exclusive jurisdiction of the English courts.

#### 20. CHARITY CONFIRMATION

- 20.1 The Property charged is held by the Chargor, a non exempt charity, and this Legal Charge is not one falling within section 124 (9) of the Charities Act 2011 so that the restrictions imposed by section 124 of that Act apply.
- 20.2 The charity trustees of the Chargor (as defined in and pursuant to a resolution under S.333 of the Charities Act 2011) certify that they have the power under the trusts or the constitution to grant this Legal Charge and the charity trustees (as defined in the Charities Act 2011) of the Chargor confirm that they have obtained and considered written advice as required by section 124(2) of the Charities Act 2011

IN WITNESS whereof this Deed has been executed by the Chargor and is intended to be and is hereby delivered on the date first above written

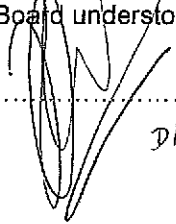
**THIS IS AN IMPORTANT DOCUMENT, SIGN ONLY IF YOU WANT TO BE LEGALLY BOUND.  
YOU ARE RECOMMENDED TO TAKE INDEPENDENT LEGAL ADVICE BEFORE SIGNING.**

#### THE SCHEDULE The Property

The freehold property described below and registered at HM Land Registry with absolute title under the title numbers below:

Property	Title Number
St. Christopher's, 15 Sea Road, Westgate on Sea, Kent, CT8 8SA	K362531
Redcliffe House, 232 Canterbury Road, Westgate on Sea, Kent, CT8 8LG	K858009
St. Gabriel's House, 44 Elm Grove, Westgate on Sea, Kent, CT8 8LB	K351808
Westcliffe Villa, 37a Sea Road, Westgate on Sea, Kent, CT8 8QW (as more particularly described in a transfer of part of even date between inter alia The Royal School for Deaf Children Margate and the Chargor)	[to be allotted]
Dane End, 1 Dane End, Westgate on Sea, Kent, CT8 8PH	K81979
13 Wilbury Gardens, Hove, East Sussex, BN3 6HQ;	ESX121926
Roper House, St. Dunstan's Street, Canterbury, Kent, CT2 8BZ.	K964825

I hereby confirm that prior to the execution of this Deed I gave independent legal advice and explained its contents and effect to **THE ROYAL NATIONAL INSTITUTE FOR DEAF PEOPLE TRADING AS ACTION ON HEARING LOSS** which informed me that the Board understood the same



DHU OLBW

Solicitor

SIGNED AS A DEED by THE ROYAL )  
NATIONAL INSTITUTE FOR DEAF )  
PEOPLE TRADING AS ACTION ON )  
HEARING LOSS acting by

*Caroline Ashley*  
.....  
Director/Trustee

*Elizabeth Tait*  
.....  
Director/Trustee

Signed as a deed on behalf of  
the charity trustees of THE  
ROYAL NATIONAL INSTITUTE  
FOR DEAF PEOPLE by  
[ CAROLINE ASHLEY ],  
one of their number, under an  
authority conferred pursuant to  
section 333 of the Charities Act 2011,  
in the presence of:

*Caroline Ashley*  
.....  
Trustee

Witness Signature: *Angela May* .....

Witness Name (print): ANGELA MAY .....

Witness Address: 19-23 FEATHERSTONE ST.

..... LONDON EC1Y 8SL .....

Witness Occupation: EXECUTIVE ASSISTANT .....

Signed as a deed on behalf of  
the charity trustees of THE  
ROYAL NATIONAL INSTITUTE  
FOR DEAF PEOPLE by  
[ ELIZABETH TAIT ],  
one of their number, under an  
authority conferred pursuant to  
section 333 of the Charities Act 2011,  
in the presence of:

*Elizabeth Tait*  
.....  
Trustee

Witness Signature: *Angela May* .....

Witness Name (print): ANGELA MAY .....

Witness Address: 19-23 FEATHERSTONE ST.

..... LONDON EC1Y 8SL .....

Witness Occupation: EXECUTIVE ASSISTANT .....

**SIGNED** for and behalf of  
**THE CHARITY BANK LIMITED**

.....  
Manager