



Registration of a Charge

Company Name: **SUE RYDER**

Company Number: **00943228**



XB8YO2WR

Received for filing in Electronic Format on the: **25/07/2022**

Details of Charge

Date of creation: **22/07/2022**

Charge code: **0094 3228 0011**

Persons entitled: **THE CHARITY BANK LIMITED**

Brief description: **27 TEAL AVENUE, FULWOOD, PRESTON, PR2 9BN AND REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER LAN259597**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **BATES WELLS**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 943228

Charge code: 0094 3228 0011

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd July 2022 and created by SUE RYDER was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th July 2022 .

Given at Companies House, Cardiff on 25th July 2022

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



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATED 22 July 2022

Legal Charge

Sue Ryder

and

**The Charity Bank Limited
(as Security Agent)**



10 Queen Street Place, London EC4R 1BE
bateswells.co.uk

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THIS DEED is made by way of Legal Charge on

22 July

2022

BETWEEN

- (1) **SUE RYDER**, a company limited by guarantee, incorporated and registered in England and Wales with number 00943228, and registered with the Charity Commission in England and Wales with number 1052076 and in Scotland with number SC039578, whose registered office is at Kings House, King Street, Sudbury, Suffolk CO10 2ED as borrower (the "**Chargor**"); and
- (2) **THE CHARITY BANK LIMITED** incorporated and registered in England and Wales with company number 04330018 whose registered office is at Fosse House, 182 High Street, Tonbridge, Kent, TN9 1BE as trustee for each of the Secured Parties on the terms and conditions set out in the Facilities Agreement (the "**Security Agent**").

WHEREAS

The Chargor holds the Property and is borrowing money from the Finance Parties (as defined by the Facilities Agreement).

The Security Agent holds this Legal Charge as security agent and trustee for the Secured Parties (as defined in the Facilities Agreement).

WITNESSES as follows:-

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Deed:

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

"Chargor's Indebtedness" means

- (a) all monies and liabilities due from the Chargor under the Finance Documents (as defined in the Facilities Agreement);
- (b) all costs, charges and expenses incurred hereunder by the Secured Parties and all other monies paid by the Secured Parties 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 Secured Parties (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; and
- (c) interest discount commission or other lawful charges and expenses which the Finance Parties may, in the course of business, charge in respect of any of the **matters aforesaid or for keeping the Chargor's accounts, and so that interest shall be** computed and compounded according to the usual mode of the Finance Parties as

well after as before any demand or judgment or the insolvency of the Chargor.

"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.

"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.

"Facilities Agreement" means the facilities agreement dated 4 December 2018 between (1) Sue Ryder (as borrower) (2) The Charity Bank Limited (as arranger) (3) the financial institutions listed in the schedule thereto (as original lenders) (4) The Charity Bank Limited (as agent) and (5) The Charity Bank Limited (as security agent) as amended by an amendment letter dated 23 July 2019 and an amendment letter dated 21 January 2022 (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 relating to the Property.

"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 but excluding any Licence.

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

"Licence" means the licence or other agreement not conferring security of tenure by which a Resident occupies a Room or Unit or by which an employee of the Chargor occupies a Unit.

"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 Finance Parties to the Chargor pursuant to the terms of the Facilities Agreement or the principal amount of that loan outstanding for the time being.

"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 Security Agent 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.

"Property" means the property referred to in the Schedule 1 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 Security Agent, appointed by the Security Agent as a receiver and/or manager of the Security given by the Chargor to the Security Agent whether such appointment is pursuant to the Law of Property Act 1925 or otherwise.

"Resident" means a patient who is resident or being cared for on the Property by the Chargor.

"Room" means a room or rooms at the Property used or occupied by a Resident pursuant to a Licence.

"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.

"Unit" means an individual residential unit constructed on the Property.

1.2 Terms defined in other Finance Documents

Unless defined in this Legal Charge, or the context otherwise requires, a term defined in the Facilities Agreement or in any other Finance Document has the same meaning in this Legal Charge, or any notice given under or in connection with this Legal Charge.

1.3 Construction

In this Deed:

- (a) the rules of interpretation contained in clauses 1.2 (*Construction*) and 1.3 (*Currency Symbols and Definitions*) of the Facilities Agreement shall apply to the construction of this Legal Charge, or in any notice given under or in connection with this Legal Charge;
- (b) **"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;
- (c) any reference to the **"Security Agent"**, the **"Secured Parties"** or the **"Finance Parties"** or a **"Chargor"** shall be construed so as to include its or their (and any subsequent) successors in title, permitted assigns and permitted transferees in accordance with their respective interests and, in the case of the Security Agent, any person for the time being appointed as Security Agent in accordance with the Facilities Agreement;
- (d) **"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;

- (e) 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;
- (f) the singular shall include the plural and the masculine the feminine and neuter and vice versa;
- (g) Clause headings in this Legal Charge are for ease of reference and do not affect the construction of the relevant Clauses;
- (h) references in this Legal Charge to any Clause or Schedule shall be to a Clause or Schedule contained in this Legal Charge
- (i) 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;
- (j) 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;
- (k) 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 Security Agent 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 Security Agent 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;
- (l) effects of insolvency etc
 - (i) if the Chargor becomes insolvent or has an insolvency order (whether liquidation or administration or otherwise) made against him or makes an offer of composition or arrangement with his creditors or the Security Agent 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;
 - (ii) 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 Security Agent may now or subsequently hold, until the Finance Parties (as defined by the Facilities Agreement) have received the full amount then due. The Security Agent may enforce such security notwithstanding any such proof, dividends, composition or other payments as stated above and notwithstanding any such security;

- (iii) any settlement or discharge between the Security Agent and the Chargor shall be subject to the condition that no security or payment to the Security Agent by the Chargor shall be subject to the condition that no security or payment to the Security Agent by the Chargor or any other person is voided or reduced by virtue of any provisions or enactments relating to administration, Security Agent bankruptcy, liquidation or insolvency for the time being in force. If any such security or payment is so voided or reduced, the Security Agent shall be entitled to recover the value or amount of it from the Chargor subsequently just as if such settlement or discharge had occurred; and
- (m) this security shall not be affected or prejudiced by the Security Agent 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 Security Agent, or by any other act or thing which (apart from this clause) would or might afford an equitable defence to a surety.

2. COVENANT TO PAY

The Chargor **covenants** with the Security Agent to pay or discharge to the Security Agent on **demand the Chargor's Indebtedness** when it becomes due.

3. CHARGING CLAUSE

The Chargor with full title guarantee **charges and mortgages** by way of legal mortgage to the Security Agent as a continuing security for the payment and discharge in accordance with the Facilities Agreement of the **Chargor's Indebtedness**:-

- (a) the Property;
- (b) all right title and interest to and in any proceeds of any activities from time to time held upon the Property;
- (c) 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;
- (d) **any share held in any tenant's or occupier's management company affecting the Property or any estate of which the Property forms part;**

- (e) the benefit of the Licences and the right to recover and receive any compensation payable in respect of the Licences; and
- (f) 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 Security Agent absolutely subject to re-assignment on redemption.

4. **UNDERTAKINGS AND COVENANTS**

4.1 The Chargor undertakes and covenants with the Security Agent that: -

- 4.1.1 it will not, unless permitted by the Facilities Agreement or with the prior written consent of the Security Agent, either in a single transaction or in a series of transactions whether related or not and whether voluntarily or involuntarily, sell or transfer or otherwise dispose of the Charged Assets or an interest in the Charged Assets;
- 4.1.2 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 Asset and will not waive, release or vary (or agree to do so) the obligations of any other party thereto;
- 4.1.3 it will keep each Charged Asset in good and substantial repair and condition and, promptly after being required to do so by the Security Agent, make good any want of repair of a Charged Asset or renew when necessary;
- 4.1.4 subject as provided in clause 4.1.1, 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 Security Agent;

Where the Property is subject to a Lease, it will:

- 4.1.5 diligently enforce the terms of the Lease against the lessee where it is commercially reasonable to do so;
- 4.1.6 not allow any assignment or underletting of the Lease without the prior written consent of the Security Agent (which will not be unreasonably withheld);
- 4.1.7 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;
- 4.1.8 not agree to any reduction in the rent or other income payable under the Lease;
- 4.1.9 not waive, release or vary any obligation under the Lease;
- 4.1.10 it will not, without the prior written consent of the Security Agent 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;
- 4.1.11 it will not, without the prior written consent of the Security Agent, agree to enter into any agreement or undertaking under any Planning Act in relation to the Property;

- 4.1.12 it will comply with all laws relating to or affecting the Property including, without limitation, the Planning Acts and Environmental Law;
- 4.1.13 it will not do or permit to be done anything (other than wear and tear that occurs in the ordinary course of business) 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 Security Agent;
- 4.1.14 if requested by the Security Agent, the Chargor will procure that any professional advisers appointed in connection with construction work on the Property enter into a Professional Warranty with the Security Agent covering their respective professional obligations to the Security Agent in a reasonable form satisfactory to the Security Agent;
- 4.1.15 it 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;
- 4.1.16 if reasonably requested by the Security Agent, the Chargor will provide the Security Agent with an environmental audit report for the Property carried out by a specialist surveyor or consultant and will implement any commercially reasonable steps recommended to be implemented in any such report as soon as reasonably practicable;
- 4.1.17 it will allow the Security Agent, and/or any person authorised by the Security Agent, to enter upon reasonable written notice and within business hours the Property to examine its state and condition or for any other purpose permitted by or connected with any Facilities Agreement, without thereby becoming a mortgagee in possession;
- 4.1.18 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 Security Agent 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 Security Agent), and also in accordance with any agreements entered into between the Security Agent and the Chargor;
- 4.1.19 if there is any breach of its obligations under any Facilities Agreement which shall remain unremedied after notice of breach by the Security Agent to the Chargor giving a reasonable time to remedy such breach, the Security Agent may carry out such works, or take such other action or steps as the Security Agent considers appropriate to remedy the breach;
- 4.1.20 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 Security Agent agrees otherwise in writing;
- 4.1.21 it will not create or permit to subsist any security, mortgage, charge, security agreement, guarantee, pledge, lien on any Charged Asset;
- 4.1.22 it requests:
 - (a) 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 22 July 2022 in favour of the Security Agent referred to in the Charges Register."

and

- (b) 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;

4.1.23 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 Security Agent all deeds, certificates and other documents constituting or evidencing title to any asset which is subject to fixed security in favour of the Security Agent;

4.1.24 it will, promptly on the request of the Security Agent from time to time, give notice of assignment or charge (in such form as the Security Agent may require) in respect of any asset which is the subject of an assignment or charge pursuant to a Facilities Agreement and will use all reasonable endeavours to procure that the recipient of that notices acknowledges receipt in a form satisfactory to the Security Agent;

4.1.25 it will do all acts and execute all documents (including mortgages, charges, transfers, assurances, assignments notices and instructions) as the Security Agent may from time to time require in relation to the Charged Assets:

- (a) **to secure the Chargor's Indebtedness or perfect or preserve the Security Documents** created or intended to be created by any Facilities Agreement; and/or
- (b) for the exercise of the rights, powers and remedies of the Security Agent or a Receiver provided by or pursuant to any Facilities Agreement or by law; and/or
- (c) to facilitate the realisation of a Charged Asset.

4.1.26 it will effect and maintain or ensure that there is effected and maintained at all times insurance in accordance with the Facilities Agreement;

4.1.27 it will notify the Security Agent of renewals made and material variations or cancellations of Insurance Policies made or, to the knowledge of the Chargor, threatened or pending;

4.1.28 it will not do or permit anything to be done which may make void or voidable any Insurance Policy;

4.1.29 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 Security Agent is concerned for failure to pay any premium due without the insurer first giving to the Security Agent not less than 30 days' written notice or for breach by the Chargor of any of the terms of the policy;

4.1.30 it will notify the Security Agent promptly of any event giving rise to a claim on any Insurance **Policy in excess of 5% of the Chargor's Indebtedness;**

- 4.1.31 if the Chargor does not comply with its obligations in respect of any Insurance Policy, the Security Agent 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 Security Agent's interest and the monies expended by the Security Agent on so effecting or renewing any such insurance will be reimbursed by the Chargor to the Security Agent on demand;
- 4.1.32 subject to the terms of the Insurance Policy and any Lease, all proceeds of insurance will be used, at the option of the Security Agent in or towards reinstatement or repayment of the **Chargor's Indebtedness**;
- 4.1.33 all premiums and other expenses incurred by the Security Agent in connection with the insurance of the Charged Assets that shall be paid or reimbursed by the Chargor to the Security Agent immediately after they are paid or incurred by the Security Agent;
- 4.1.34 the Security Agent 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 appoints the Security Agent 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 Security Agent or not;
- 4.1.35 the Security Agent may retain for its absolute use and benefit all sums allowed to the Security Agent by way of commission and otherwise in respect of insurance or other business of the Chargor effected through the Security Agent;
- 4.1.36 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;
- 4.1.37 to carry out all works, and maintain all arrangements which any relevant public or statutory authority may require or direct to be carried out or maintained in relation to the Property or anything on or done on the Property;
- 4.1.38 to notify the Security Agent 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 Security Agent, and at the request of the Security Agent (but at the cost of the Chargor) to make or join with the Security Agent in making such objections to or representations against the same as the Security Agent shall require;
- 4.1.39 to produce to the Security Agent 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 Security Agent such other documents or information relating to the Property or the development thereof as the Security Agent shall require;
- 4.1.40 if the Chargor is in material breach of any legislation, to carry out with all reasonable speed such remedial work as the Security Agent or any Receiver shall require and, in default, the

Security Agent 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;

- 4.1.41 to permit any authorised representative of the Security Agent or any Receiver to enter the Property (upon reasonable written notice) 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 Security Agent or any Receiver such information in relation to the Property as it or he shall reasonably request;
- 4.1.42 the Security Agent shall have the right to require a valuation of the Property in accordance with the terms of the Facilities Agreement;
- 4.1.43 the Chargor will, on demand, indemnify the Security Agent against any cost, loss or liability (including any breakage costs and loss of margin) incurred by the Security Agent as a result of:
- (a) 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;
 - (b) any failure by the Chargor to pay any amount due under a Facilities Agreement on its due date;
 - (c) 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 Facilities 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;
 - (d) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or
 - (e) 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.

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

5. REMEDIES AND RIGHTS OF THE SECURITY AGENT AND RECEIVERS

- 5.1 This Legal Charge is immediately enforceable at any time after the occurrence of an Event of Default (as long as it is continuing) whereupon the Security Agent may, without notice to the Chargor, in its absolute discretion:

- 5.1.1 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 Security Agent; and
- 5.1.2 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 Facilities Agreement on any Receiver or otherwise conferred by law on mortgagees or Receivers.
- 5.2 The Security Agent 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.
- 5.3 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:
 - 5.3.1 the presentation of an application to the court for the making of an administration order in relation to the Chargor; or
 - 5.3.2 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.
- 5.4 The Security Agent 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.
- 5.5 The power of sale or other disposal conferred on the Security Agent and on the Receiver by any Facilities 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.
- 5.6 Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Legal Charge or to the exercise by the Security Agent 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 Security Agent without notice to the Chargor on or at any time after the occurrence of an Event of Default.
- 5.7 The statutory powers of leasing may be exercised by the Security Agent at any time on or after the occurrence of an Event of Default and the Security Agent 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.
- 5.8 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 Security Agent and no purchaser or other person dealing with the Security Agent or any Receiver will be bound to see or inquire whether the right of the Security Agent 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 Security Agent or such Receiver in such dealings.

- 5.9 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.
- 5.10 Neither the Security Agent 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 Security Agent 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 Security Agent for which a mortgagee or mortgagee in possession might as such be liable.
- 5.11 The Security Agent 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 Security Agent or the Receiver under any Facilities Agreement (whether arising by statute, the provisions of any Facilities 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 Security Agent 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 Security Agent or to any Receiver will where the context so admits include references to any such delegates so appointed.
- 5.12 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 Security Agent.
- 5.13 The powers conferred hereunder or by any Facilities Agreement on the Security Agent 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.

6. APPOINTMENT AND POWERS OF RECEIVER

6.1 Appointment and removal

The Security Agent 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 Security Agent), without prior notice to the Chargor:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Assets which are secured in favour of the Security Agent;
- (b) remove (so far as it is lawfully able) any Receiver so appointed; and/or
- (c) appoint another person(s) as an additional or replacement Receiver(s).

6.2 Capacity of Receivers

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

- (a) entitled to act individually or together with any other person appointed or substituted

as Receiver;

- (b) 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 Security Agent; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified by the Law of Property Act 925).

6.3 **Statutory powers of appointment**

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Agent 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 Security Agent in respect of any part of any asset which is secured in favour of the Security Agent.

7. **POWERS OF RECEIVERS**

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 Security Agent 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):

- (a) 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;
- (b) where the Chargor is a body corporate, all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986;
- (c) 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
- (d) 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:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of any rights, powers and remedies of the Security Agent 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 Security Agent); or
 - (iii) bringing into his hands any Charged Assets.

8. **PROTECTION OF PURCHASERS**

8.1 **Consideration**

The receipt of the Security Agent 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 Security Agent or making any acquisition, the Security Agent or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

8.2 **Protection of purchasers**

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound to inquire whether the right of the Security Agent 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 Security Agent or such Receiver in such dealings.

9. **DISCRETION, LIABILITY AND RIGHT IN EQUITY OF THE SECURITY AGENT**

9.1 **Discretion**

Any liberty or power which may be exercised or any determination which may be made under this Legal Charge by the Security Agent or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

9.2 **Liability**

The Security Agent 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.

9.3 **Right in equity**

The provisions of this Legal Charge will not confer on the Security Agent 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.

10. **ORDER OF PAYMENTS AND APPLICATION OF PROCEEDS**

10.1 If the Security Agent **receives a payment that is insufficient to discharge all of the Chargor's** Indebtedness the Security Agent **shall apply that payment towards the Chargor's** Indebtedness in such order as the Security Agent requires.

10.2 All moneys received or recovered by the Security Agent 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:

10.2.1 **first**, in the payment of all costs, charges and expenses of and incidental to the Receiver's appointment and his remuneration;

10.2.2 **second**, in the payment or the discharge of any liabilities incurred by a Receiver in the exercise of any powers of the Receiver;

- 10.2.3 **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 Security Agent but only to the extent to which such debts or claims shall have such preference);
- 10.2.4 **fourth, in or towards the satisfaction of the Chargor's** Indebtedness in such order as the Security Agent shall direct; and
- 10.2.5 **thereafter**, any surplus being paid to the person then entitled to such surplus.

The above shall override any appropriation made by the Chargor.

11. **SECURITY POWER OF ATTORNEY**

11.1 **Appointment and powers**

The Chargor by way of security agrees to irrevocably appoint the Security Agent 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 to:

- 11.1.1 carry out or fulfil any obligation imposed on the Chargor by any Facilities 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 Security Agent); and/or
- 11.1.2 enable the Security Agent 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 Facilities 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 Security Agent).

11.2 **Ratification**

The Chargor agree to ratify and confirm all things lawfully done and all lawful documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

12. **WAIVER OF DEFENCES**

The obligations of the Chargor under any Facilities 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:

- (a) any time, waiver or consent granted to, or composition with the Chargor or other person;
- (b) the release of the Chargor or any other person under the terms of any composition or arrangement with any creditor of the Chargor;
- (c) 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;

- (d) 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;
- (e) any amendment (however fundamental) or replacement of any Facilities Agreement or any other Security Document;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Facility Document or any other document or security; or
- (g) any insolvency or similar proceedings.

13. **NO LIABILITY**

None of the Security Agent, its nominees or any Receiver will be liable by reason of taking any action permitted by any Facilities Agreement and/or this Legal Charge or any neglect or default in connection with any asset which is secured in favour of the Security Agent or taking possession of or realising all or any part of any asset which is secured in favour of the Security Agent, except in the case of gross negligence or wilful default upon its part.

14. **CONSOLIDATION AND SET OFF**

14.1 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 Finance Parties on any account and (save at the discretion of the Security Agent) no Charged Asset held by the Secured Parties **shall be released until the Chargor's Indebtedness has been paid in full.**

14.2 The Chargor authorises the Security Agent to apply any credit balance to which the Chargor is entitled on any account of the Chargor with the Security Agent in satisfaction of the **Chargor's Indebtedness.**

14.3 All payments to be made to the Security Agent under the Facility Documents shall be calculated and made without (and free and clear of any deduction for) set-off or counterclaim.

14.4 The Security Agent 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 Security Agent 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.**

15. **PAYMENTS**

15.1 All payments by the Chargor to the Security Agent must be made to such account as the Security Agent 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 Security Agent is not responsible for loss of or delay to payments sent by or to the Chargor.

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

- 15.2.1 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
- 15.2.2 any amount expressed to be payable in a currency other than sterling shall be paid in that other currency.

16. **CONTINUING SECURITY AND AMOUNT DUE**

- 16.1 Without prejudice to the generality of Clause 3, this Legal Charge secures all advances already made and to be made, and shall be a continuing security to the Security Agent notwithstanding any settlement of account or other matter whatsoever.
- 16.2 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.**
- 16.3 A certificate signed by an official or manager of the Security Agent 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.

17. **NOTICE OF CHARGE OR DISPOSAL**

- 17.1 On receiving notice that the Chargor has encumbered or disposed of the Property or any of the Charged Assets, the Security Agent **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 Security Agent'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 Security Agent on such closed account(s).
- 17.2 If the Security Agent 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.
- 17.3 As from that time, all payments made by the Chargor to the Security Agent 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 Security Agent at the time when it received such notice.

18. **OTHER PROVISIONS**

- 18.1 If the Security Agent reasonably considers that any amount paid to it is capable of being avoided or reduced by virtue of any Security Agent bankruptcy, insolvency, liquidation or similar laws the liability of the Chargor under this Legal Charge will continue and such amount will not be considered to have been irrevocably paid.
- 18.2 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 Security Agent by any Security Document or by law shall be discharged, impaired or otherwise affected by:
 - 18.2.1 the winding-up, dissolution, administration or reorganisation of the Chargor or any other person or any change in its status, function, control or ownership;
 - 18.2.2 **any of the Chargor's Indebtedness or any of the obligations of the Chargor to the** Security

Agent being or becoming illegal, invalid, unenforceable or ineffective in any respect;

- 18.2.3 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;**
- 18.2.4 **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;
- 18.2.5 any failure to take, or fully to take, any security agreed to be taken in relation to any of the **Chargor's Indebtedness;**
- 18.2.6 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
- 18.2.7 any other act, event or omission which, but for this Clause 18.2, 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 Security Agent by a Security Document or by law.

- 18.3 On the occurrence of an Event of Default which is continuing, the Security Agent 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 Security Agent or any Receiver shall think fit.

- 18.4 The net proceeds of sale of the Equipment (after deduction of all costs incurred by the Security Agent or any Receiver of and/or ancillary to such removal, storage, sale or disposal) shall be paid by the Security Agent or any Receiver to the Chargor as soon as reasonably practicably after demand.

19. **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.**

20. **ASSIGNMENT**

20.1 **No assignments or transfers by Chargor**

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Legal Charge.

20.2 **Assignments and transfers by the Security Agent**

The Security Agent may assign and transfer all or any of its rights and obligations under this Legal Charge to a New Lender **to whom the Security Agent's rights under the Facilities Agreement have been assigned.** The Security Agent shall be entitled to disclose such information concerning the Chargor and this Legal Charge as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

21. **DEMANDS AND NOTICES**

- 21.1 Any demand or notice given by the Security Agent to the Chargor under this Legal Charge may be:
- 21.1.1 by letter addressed to them sent by first class post to or left at the last known address to the Security Agent or at the registered office; or
- 21.1.2 by fax or other electronic means to the last known fax number or electronic mail address.
- 21.2 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.
- 21.3 Unless otherwise advised by the Security Agent any notices given to the Security Agent under this Legal Charge will be delivered to the Security Agent's office detailed on the front of this Legal Charge.
22. **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.

CHARITIES ACT 2011

The land charged is held by (or in trust for) the Chargor, a non-exempt charity, and this charge (or mortgage) is not one falling within section 124(9) Charities Act 2011, so the restrictions imposed by section 124 of that act apply.

By executing this Deed, the Chargor certifies that the Chargor has the power under its trusts to effect this Deed and that the charity trustees (as defined in section 177 of the Charities Act 2011) have obtained and considered such proper written advice as is mentioned in section 124(2) of that Act.

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.

Schedule 1 The Property

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

Property	Title Number
27 Teal Avenue, Fulwood, Preston PR2 9BN	LAN259597

EXECUTION PAGE TO DEED

The Chargor

Executed as a DEED by)
SUE RYDER acting by: NICOLA HAYES)
and KEVIN RUSLING)
)

Director:

Director/Secretary:



X

Security Agent

EXECUTED as a DEED by THE CHARITY BANK LIMITED acting by two authorised signatories acting under a power of attorney:

Name of Attorney _____ Signature

Name of Attorney _____ Signature

EXECUTION PAGE TO DEED

The Chargor

Executed as a **DEED** by)
SUE RYDER acting by:)
)
)

Director:
Director/Secretary:

Security Agent

EXECUTED as a DEED by **THE CHARITY BANK LIMITED** acting by two authorised signatories acting under a power of attorney:

Caspar Mackay DocuSigned by:
Name of Attorney Director of Credit Signature ...
Justin Hort
Name of Attorney Director of operations & Savings Signature ...