MR01
Particulars of a charge

A fee is payable with this form
Please see 'How to pay' on the last page

You can use the WebFile
Please go to www.companieshouse.gov.uk

☑️ What this form is for
You may use this form to register a charge created or evidenced by an instrument

☒ What this form is NOT for
You may not use this form to register a charge where the instrument Use form MR08

This form must be delivered to the Registrar for registration within 21 days beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

⚠️ You must enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. Do not send the original.

<table>
<thead>
<tr>
<th>1</th>
<th>Company details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company number</td>
<td>0755631</td>
</tr>
<tr>
<td>Company name in full</td>
<td>Unity Leisure</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2</th>
<th>Charge creation date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charge creation date</td>
<td>18072545</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3</th>
<th>Names of persons, security agents or trustees entitled to the charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>NORTHAMPTON BOROUGH COUNCIL</td>
</tr>
<tr>
<td>Name</td>
<td></td>
</tr>
<tr>
<td>Name</td>
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<td>Name</td>
<td></td>
</tr>
</tbody>
</table>

If there are more than four names, please supply any four of these names then tick the statement below

☐ I confirm that there are more than four persons, security agents or trustees entitled to the charge

06/14 Version 2.0
**MR01**

**Particulars of a charge**

### 4. Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.

- **Brief description**: All that Leasehold property at Danes Camp Leisure Centre, Clennell Road, Northampton, NN4 0RX referred to in a Lease between Northampton Borough Council and Unity Leisure dated 10 July 2015

Please submit only a short description if there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument." Please limit the description to the available space.

### 5. Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.

- [ ] Yes
- [ ] No

### 6. Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box.

- [ ] Yes Continue
- [ ] No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

- [ ] Yes

### 7. Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box.

- [ ] Yes
- [ ] No

### 8. Trustee statement

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.

- [ ]

*This statement may be filed after the registration of the charge (use form MR06)*

### 9. Signature

Please sign the form here.

- [Signature]

This form must be signed by a person with an interest in the charge.

06/14 Version 2.0
Presenters information
You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name: J Buckler
Company name: LGSS Law Limited
Address: John Dryden House, The Lakes, Bedford Road, Northampton, Northamptonshire
Post code: NN4 7YD
Country: UK
DX: 12481, Northampton 1
Telephone: 01604 363790

Certificate
We will send your certificate to the presenters address if given above or to the company's Registered Office if you have left the presenters information blank.

Checklist
We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

☐ The company name and number match the information held on the public register.
☐ You have included a certified copy of the instrument with this form.
☐ You have entered the date on which the charge was created.
☐ You have shown the names of persons entitled to the charge.
☐ You have ticked any appropriate boxes in Sections 5, 6, 7 & 8.
☐ You have given a description in Section 4, if appropriate.
☐ You have signed the form.
☐ You have enclosed the correct fee.
☐ Please do not send the original instrument; it must be a certified copy.

Important information
Please note that all information on this form will appear on the public record.

How to pay
A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.

Where to send
You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales: The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3LZ, DX 33050 Cardiff

For companies registered in Scotland: The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF, DX ED235, Edinburgh 1, or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland: The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG, DX 481 N R Belfast 1

Further information
For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

This form has been provided free of charge by Companies House.
CERTIFICATE OF THE
REGISTRATION OF A CHARGE

Company number. 7555631

Charge code: 0755 5631 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th July 2015 and created by UNITY LEISURE was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th July 2015.

Given at Companies House, Cardiff on 31st July 2015

Companies House
DATED 10th July 2015

(1) NORTHAMPTON BOROUGH COUNCIL

(2) UNITY LEISURE

LEGAL MORTGAGE

QUENTIN BAKER
Director of LGSS Law
LGSS Law Limited
John Dryden House Floor 1
The Lakes Bedford Road
Northampton NN4 7YD

(N) O-013645
THIS DEED is made on 10th July 2015

BETWEEN:

(1) UNITY LEISURE a charity registered in England and Wales (number 1145613) being a company limited by guarantee and registered in England and Wales with company number 07555631 and whose registered office is situate at 78 Robert Street, Northampton, NN1 3BJ (the 'Borrower')

(2) NORTHAMPTON BOROUGH COUNCIL of The Guildhall, St Giles Square, Northampton, NN1 1DE (the 'Council')

BACKGROUND:

(A) The Council and the Borrower have entered into a Facility Agreement dated 10th July 2015. The Facility Agreement includes an agreement that the Council shall pay to the Borrower an Advance to a total sum of £300,000 and the Borrower has agreed to enter into a Legal Mortgage with the Council to secure the said £300,000

(B) The Borrower is the registered leasehold owner of the Property

AGREED TERMS:-

1. Definitions and Interpretation

1.1 Definitions

Advance part of the sum due to be paid to the Borrower under the terms of the Facility Agreement

Business Day a day (other than a Saturday or a Sunday or public holiday) on which commercial banks are open for general business in London

Certificate of Title any report on or certificate of title relating to the Property or written replies to enquiries supplied to the Council by the Borrower (or on its behalf)

Costs all costs, charges, expenses, taxes, liabilities of any kind, including (without limitation) costs and damages in connection with litigation, professional fees, disbursements with any VAT charges on Costs which the Council or any Receiver or Delegate may charge or incur in relation to this
legal mortgage, the Property or breach of any provision of this legal mortgage by the Borrower

Commitment
The Council's commitment to make an advance on the terms and conditions of the Facility Agreement as reduced from time to time by the amount of the outstanding Advance

Delegate
any person appointed by the Council or any Receiver pursuant to clause 11 and any person appointed as attorney of the Council, Receiver or Delegate

Drawing
a drawing made, or to be made, by the Borrower under the Facility Agreement

Drawdown Date
the date on which the Advance is made, or is to be made

Drawdown Request
a drawdown request on the standard form supplied by the Council in accordance with the Facility Agreement

Environment
all of the air, water and land, including (without limitation) the air within buildings and other natural or man-made structures above or below ground, ground and surface water, and surface and sub-surface soil

Environmental Law
all applicable statutes, treaties, regulations, directives or similar measures relating to the pollution or protection of the Environment that affect the Property

Environmental Licence
any authorisation required by an Environmental Law in respect of any Property

Facility Agreement
means the agreement dated 10th July 2015 between the Council and the Borrower

Finance Documents
the Facility Agreement and this legal mortgage

Indebtedness
any obligation to pay or repay money, present or future, whether actual or contingent, sole or joint

Insurance Policies
any policy of insurance of the Property

Lease
means a lease of Danes Camp Leisure Centre, Clannell Road, Northampton, NN4 0RX made on or prior to the date
of this charge between (1) Northampton Borough Council and (2) Unity Leisure

Legal Reservations

(a) the principle that equitable remedies may be granted or refused at the discretion of a court, the limitations imposed by laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws generally affecting the rights of creditors or (as the case may be) secured creditors,

(b) the time barring of claims under the Limitation Act 1980, the possibility that an undertaking to assume liability for or to indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim, and

(c) similar principles, rights and defences under the laws of any relevant jurisdiction

Material Adverse Effect

in the Council's reasonable opinion a material and adverse effect on the Borrower's ability to perform all or any of its obligations under the terms of the Finance Documents

Permitted Security

any Security arising under

(a) this legal mortgage,

(b) any Security created or outstanding with the Council's written consent,

(c) any common law liens in the ordinary course of trading, as long as the amounts in respect of those liens are not overdue for payment,

(d) any normal title retention arrangements of a supplier's standard conditions of supply of goods acquired by the Borrower in the ordinary course of its business,

(e) any netting or set-off arrangements entered into by the Borrower in the ordinary course of its banking
arrangements for the purpose of netting debit and credit balances of the Borrower's accounts

Property

the leasehold property owned by the Borrower described in Part 1 of Schedule 1

Property Rights

all rights and obligations of the Borrower under the terms of the Lease

Receiver

a receiver and/or manager of any or all of the Property

Rent

all amounts payable to or for the benefit of the Borrower by way of rent, licence fee, service charge, dilapidations, ground rent, and rent charge in respect of any part of the Property and other monies payable to or for the benefit of the Borrower in respect of occupation or usage of any part of the Property, including (without limitation) for display or advertisements on licence or otherwise

Secured Liabilities

all present and future monies, obligation and liabilities owed by the Borrower to the Council, whether actual or contingent and whether owned jointly or severally, as principal or surety and/or in any other capacity, under or in connection with the Finance Documents (including, without limitation, those arising under clause 18.3.2 of this legal mortgage), and together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities

Security

any mortgage or charge (whether fixed or floating, legal or equitable), pledge, lien and hypothecation, assignment as security, title retention or any other type of arrangement that has a similar effect to any of them

Security Period

the period starting on the date of the Facility Agreement and ending on the date on which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full

Sold Property

the sale of any of the Property subject to the terms of the Finance Documents

Successor

means any successor in title of the Borrower
1.2 Interpretation
In this legal mortgage

12.1 A reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment or extension and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts.

12.2 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.

12.3 Unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular.

12.4 A reference to a clause or Schedule is to a clause of, or Schedule to, this legal mortgage and references to paragraphs are to paragraphs of the relevant Schedule, unless the context otherwise requires.

12.5 A reference to this legal mortgage, the Facility, the Finance Documents (or any provision of each) or any other document shall be construed as a reference to this legal mortgage, the Facility, the Finance Documents, that provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties.

12.6 A reference to a person shall include a reference to an individual, firm, Borrower, partnership, corporation, unincorporated body of persons, or any state or any agency of any person.

12.7 A reference to an amendment includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly).

12.8 A reference to assets includes present and future properties, undertakings, revenues, rights and benefits of every description.

12.9 A reference to an authorisation includes an approval, authorisation, consent, exemption, filing, licence, notansation, registration and resolution.

12.10 A reference to a regulation includes any regulation, rule, official directive, request or guideline (Whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

12.11 A reference to determines or determined means, unless the contrary is indicated, a determination at the discretion of the person making it.
12.12 Clause, Schedule and paragraph headings shall not affect the interpretation of this legal mortgage.

13 Nature of security over real property
A reference in this legal mortgage to a charge or mortgage of or over the Property includes:
13.1 all buildings and fixtures and fittings (including trade and tenant’s fixtures and fittings) and fixed plan and machinery which are situated on or form part of the Property at any time,
13.2 the proceeds of sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property,
13.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Property and any monies paid or payable in respect of those covenants,
13.4 all rights under any licence, agreement for sale or agreement for lease in respect of the Property.

14 Law of Property (Miscellaneous Provisions) Act 1989
For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Facility Agreement and any side letters between any parties in relation to the Facility Agreement are incorporated into this legal mortgage.

15 Third party rights
A third party (being any person other than the Borrower, the Council and its permitted successors and assigns, any Receiver and any Delegate) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this legal mortgage.

16 Perpetuity period
If the rule against perpetuities applied to any trust created by this legal mortgage (if any), the perpetuity period shall be 125 years (as specified in section 5(1) of the Perpetuities and Accumulations Act 2009).

17 Schedules
The Schedules form part of this legal mortgage and shall have effect as if set out in full in the body of this legal mortgage. Any reference to this legal mortgage includes the Schedules.
2. Grant of security

2.1 Legal mortgage and fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Council with full title guarantee charges to the Council

211 by way of first legal mortgage, the Property, and

212 by way of first fixed charge

2121 all of its rights in any policies of insurance exclusively relating to the Property, including the proceeds of any claims under such policies, the Rent and the benefit of any guarantee or security in respect of the Rent to the extent not effectively assigned under clause 22,

2122 the benefit of all contracts, guarantees, appointments, warranties and other documents to which the Borrower is a party or in its favour or of which it has the benefit relating to any letting, development, sale, purchase or the operation of the Property exclusively or otherwise relating to the Property exclusively, including, in each case, but without limitation, the right to demand and receive all monies whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them, and

2123 All authorisations (statutory or otherwise) held or required in connection with the Borrower’s business carried on exclusively at the Property or the use of any Property, and all rights in connection with them.

3. Perfection of security

3.1 Registration of legal mortgage at the Land Registry

The Borrower consents to an application being made by the Council to the Land Registrar for the following restriction in Form P to be registered against its title to the Property

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the
charge dated [        ] 2015 in favour of Northampton Borough Council referred to in the charges register*

3.2 Further advances
The Council covenants with the Borrower that it shall perform its obligations to make Advances to the Borrower under the Facility Agreement (including any obligation to make available further advances)

3.3 Cautions against first registration and notices
If any notice (whether agreed or unilateral) is registered against the Borrower’s title to the Property, the Borrower shall immediately provide the Council with full particulars of the circumstances relation to such caution or notice. If such notice was registered to protect a purported interest the creation of which is not permitted under this legal mortgage, the Borrower shall immediately, and at its own expense, take such steps as the Council may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled

4. Liability of the Borrower and Council’s protections

4.1 Liability not discharged

The Borrower’s liability under this legal mortgage in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by

4.1.1 any intermediate payment, settlement of account or discharge in part of the Secured Liabilities, or

4.1.2 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Council may now or after the date of this legal mortgage have from or against the Borrower, the Borrower or any other person in connection with the Secured Liabilities, or

4.1.3 any act or omission by the Council or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against the Borrower, the Borrower or any other person, or

4.1.4 any termination in part, amendment, variation, novation or supplement of or to any of the Secured Liabilities, or

4.1.5 any grant of time, indulgence, waiver or concession to the Borrower, the Borrower or any other person, or
416 any insolvency, bankruptcy, liquidation, administration, winding-up, incapacity, limitation, disability, the discharge by operation of law or any change in the constitution, name or style of the Borrower, the Borrower or any other person, or
417 any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation or, or Security held from, the Borrower, the Borrower or any other person in connection with the Secured Liabilities, or
418 any claim or enforcement of payment from the Borrower or any other person, or
419 any other act or omission which would not have discharged or affected the liability of the Borrower had it been a principal debtor or by anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge the Borrower or otherwise reduce or extinguish its liability under this legal mortgage.

42 Immediate recourse
The Borrower waives any right it may have to require the Council
421 to take any action or obtain judgement in any court against any other person, or
422 to make or file any claim in a bankruptcy, liquidation, administration or insolvency of any other person, or
423 to make demand, enforce or seek to enforce any claim, right or remedy against another person,
before taking steps to enforce any of its rights or remedies under this legal mortgage.

5. Representations and warranties
The Borrower represents and warrants to the Council in the terms set out in Schedule 2 on the date of this legal mortgage and on
51 the date of each Drawdown Request, and
52 each Drawdown Date
by reference to the facts and circumstances existing on each such date.

6. Covenants
The Borrower covenants with the Council in the terms set out in Schedule 3.

7. Powers of the Council
The Council shall have the powers set out in Schedule 4.

8. Enforcement
81 When security becomes enforceable.
The security constituted by this legal mortgage shall be immediately enforceable and the power of sale and other powers given by section 101 of the LPA (as varied or extended by this legal mortgage) shall be immediately exercisable at any time after

8.1.1 a notice has been served by the Council to the Borrower pursuant to Schedule 7 of the Facility Agreement (except in relation to paragraph 3 of Schedule 7),

8.1.2 the Borrower fails to comply with any provision of this legal mortgage and (if the Council considers, acting reasonably, that the default is capable of remedy) such default is not remedied within 15 (fifteen) Business Days of the earlier of

8.1.2.1 the Council notifying the Borrower of the default and the remedy required, and

8.1.2.2 the Borrower becoming aware of the default,

8.1.3 any representation, warranty or statement made, repeated or deemed made by the Borrower in, or pursuant to, this legal mortgage (or proves to have been incomplete, untrue, incorrect or misleading when made, repeated or deemed made) and if the Council consider, acting reasonably, that the misrepresentation is capable of remedy, such misrepresentation is not remedied within 21 (twenty-one) Business Days of the earlier of

8.1.3.1 the Council notifying the Borrower of the misrepresentation and the remedy required, and

8.1.3.2 the Borrower becoming aware of the misrepresentation,

8.2 When statutory powers arise
Section 103 of the LPA shall not apply to this legal mortgage and the statutory power of sale and other powers given by section 101 of the LPA (as varied or extended by this legal mortgage) shall, as between the Council and a purchaser, arise on the execution of this legal mortgage and be exercisable at any time after such execution, but the Council shall not exercise such power of sale until the security constituting this legal mortgage has become enforceable under clause 8.1

8.3 Enforcement of security
After the security constituted under this legal mortgage has become enforceable, the Council may in its absolute discretion enforce all or any part of that security at the times, in the manner and on the terms it thinks fit and takes possession of and hold of dispose of all or any part of the Property

8.4 Redemption of prior security
At any time after the security constituted by this legal mortgage has become enforceable, or after any powers conferred by any Security having priority to this legal mortgage shall have become exercisable, the Council may

8.4.1 redeem such or any other prior Security, or procure its transfer to itself, and
8.4.2 settle any account of that encumbrancer.

The settlement of such account shall be conclusive and binding on the Borrower. All monies paid by the Council to an encumbrancer in settlement of such an account shall, as from its payment by the Council, be due from the Borrower to the Council on current account and shall bear interest and be secured as part of the Secured Liabilities.

8.5 Extension of statutory powers of leasing
The statutory powers of leasing and accepting surrenders are extended so as to authorise the Council, any Receiver and any Delegate, at any time after the security constituted by this legal mortgage has become enforceable, whether in its own name or in that of the Borrower, to make any lease or agreement for lease, accept surrender of leases or grant any option of the whole or any part of the Property with whatever rights relating to other parts of it, containing whatever covenants on the part of the Borrower, generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Council, Receiver or Delegate thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA.

8.6 Privileges
Each Receiver and the Council is entitled to all the rights, powers and privileges and immunities conferred by the LPA on mortgagees and receivers.

8.7 No liability as mortgagee in possession
Neither the Council, any Receiver nor any Delegate shall be liable to account as mortgagee in possession in respect of all or any of the Property, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Property for which a mortgagee in possession might be liable as such.

8.8 Relinquishing possession
If the Council, any Receiver or any Delegate enters into or takes possession of the Property, it or he may at any time relinquish possession.

9. Receivers
At any time after the security constituted by this legal mortgage has become enforceable or at the request of the Borrower, the Council may, without further notice
9.1.1 appoint under seal or in writing, by a duly authorised officer of the Council, any one or more person or persons to be a receiver or a receiver and manager, of all or any part of the Property, and
9.1.2 (subject to section 45 of the Insolvency Act 1986) from time to time, under seal or in writing, by a duly authorised officer of the Council, remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.

Where more than one person is appointed Receiver, they shall have power to act separately (unless the appointment by the Council specifies to the contrary)

9.2 Power of appointment additional to statutory powers
The power to appoint a Receiver conferred by this legal mortgage shall be in addition to all statutory and other powers of the Council under the Insolvency Act 1986, the LPA or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA.

9.3 Power of appointment exercisable despite prior appointments
The power to appoint a Receiver (whether conferred by this legal mortgage or by statute) shall be, and remain, exercisable by the Council despite any prior appointment in respect of all or any part of the Property.

9.4 Remuneration of a Receiver
The Council may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA and the remuneration of the Receiver shall be a debt secured by this legal mortgage which shall be due and payable immediately upon its being paid by the Council.

10. Powers and capacity of a Receiver

10.1 Powers of a Receiver
Any Receiver appointed by the Council under this legal mortgage shall, in addition to the powers conferred on him by the LPA and the Insolvency Act 1986, have the powers set out in Schedule 5.

10.2 Scope of Receiver's powers
Any exercise of any of the powers of a Receiver by the Receiver may be on behalf of the Borrower, the directors of the Borrower or himself.
10.3 Receiver is agent of the Borrower
Any Receiver appointed by the Council under this legal mortgage shall be the agent of the
Borrower and the Borrower shall be solely responsible for his acts and remuneration, as
well as for any defaults committed by him. The agency of each Receiver shall continue
until the Borrower goes into liquidation and after that the Receiver shall act as principal
and shall not become the agent of the Council.

11. Delegation
Each of the Council and any Receiver may delegate (either generally or specifically) by
power of attorney or in any other manner to any person any right, power, authority or
discretion conferred on it by this legal mortgage (including the power of attorney granted
under clause 14.1) Any such delegation may be made upon such terms and conditions
(including the power to sub-delegate) as the Council or any Receiver shall think fit. Neither
the Council nor any Receiver shall be in any way liable or responsible to the Borrower for
any loss or liability arising from any act, default, omission or misconduct on the part of any
Delegate.

12. Application of proceeds
12.1 Order of application
All monies received by the Council, a Receiver or a Delegate (other than sums received
pursuant to any Insurance Policy) pursuant to this legal mortgage after the security
constituted by this legal mortgage has become enforceable, shall (subject to the claims of
any person having prior rights and by way of variation of the LPA) be applied
12.1.1 first in paying all costs, charges and expenses of, and incidental to, the
appointment of any Receiver and the exercise of his powers and all outgoings paid
by him,
12.1.2 second in paying the remuneration of any Receiver (as agreed between the
Receiver and the Council),
12.1.3 third in or towards discharge of the Secured Liabilities in such order and manner
as the Council determines, and
12.1.4 finally in paying any surplus to the Borrower or any other person entitled to it.

12.2 Appropriation
Neither the Council, nor any Receiver nor any Delegate shall be bound (whether by virtue
of section 109(8) of the LPA, which is varied accordingly, or otherwise) to pay or
appropriate any receipt or payment first towards interest rather than principal or otherwise
in any particular order between any of the Secured Liabilities.
12.3 **Suspense account**

All monies received by the Council or a Receiver or a Delegate under this legal mortgage (other than sums received pursuant to any Insurance Policy which are not going to be applied in or towards discharge of the Secured Liabilities) may, at the discretion of the Council, Receiver or Delegate, be credited to any suspense or securities realised account and shall bear interest at such rate, if any, as may be agreed in writing between the Council, Receiver or Delegate and the Borrower, and may be held in such account for so long as the Council, Receiver or Delegate thinks fit.

13. **Protection of third parties**

13.1 **Protection of third parties**

No purchaser, mortgagee or other person dealing with the Council or any Receiver or Delegate shall be concerned

13.1.1 to enquire whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged, or whether the power the Council or a Receiver or Delegate is purporting to exercise has become exercisable, or

13.1.2 to see to the application of any money paid to the Council or any Receiver or Delegate.

13.2 **Conclusive discharge to purchasers**

The receipt of the Council or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Property or in making any acquisition in the exercise of their respective powers, the Council, every Receiver and every Delegate may do so for such consideration, in such manner and on such terms as it or he thinks fit.

14. **Power of attorney**

14.1 **Appointment of attorneys**

By way of security, the Borrower irrevocably appoints the Council, every Receiver and every Delegate separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things which

14.1.1 the Borrower is required to execute and do under this legal mortgage, and

14.1.2 any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this legal mortgage or by law on the Council, any Receiver or any Delegate.
14.2 Ratification of acts of attorneys
The Borrower ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in clause 14.1

15. Release
Subject to clause 18.3, on the expiry of the Security Period (but not otherwise), the Council shall, at the request and cost of the Borrower, take whatever action is necessary to release the Property from the security constituted by this legal mortgage.

16. Release of Sold Property from Security
Following the sale of any Sold Property
16.1 the Council shall without recourse, representation or warranty of title release and discharge all of the Sold Property from the charges constituted or intended to be constituted by this legal mortgage,
16.2 the Sold Property shall be held freed and discharged from the security constituted or intended to be constituted by this legal mortgage and from all claims and demands arising under this legal mortgage,
16.3 the Council shall release and discharge the Borrower from all its obligations to the Council under this legal mortgage in respect of the Sold Property,
16.4 the Council shall, at the request and cost of the Borrower, do all such acts and/or execute all such documents as may be reasonably necessary to give effect to the release referred to in Clauses 16.1 to 16.3 and the Council shall at the cost of the Borrower co-operate for the purpose of procuring that any necessary entry is made in any relevant register or other statutory record relating to the Borrower or any of the Sold Property as may be requested of it from time to time to give effect to the release, and
16.5 the Council shall deliver to the Borrower all deeds, certificates and other documents (if any) presently held by the Council which relate exclusively to the Sold Property.

17. Assignment and transfer

17.1 Assignment by the Council
At any time, without the consent of the Borrower, the Council may assign or transfer the whole or any part of the Council's rights and/or obligations under this legal mortgage to any person to whom the Council may assign or transfer the whole or any part of the Facility Agreement. The Council may disclose such information about the Borrower, the
Property and this legal mortgage as the Council considers appropriate to any actual or proposed assignee or transferee agreeing to keep such information confidential.

17.2 **Assignment by the Borrower**
The Borrower may not assign any of its rights, or transfer any of its obligations, under this legal mortgage or enter into any transaction which would result in any of those rights or obligations passing to another person.

18. **Further provisions**

18.1 **Independent security**
This legal mortgage shall be in addition to, and independent of, every other security or guarantee which the Council may hold for any of the Secured Liabilities at any time. No prior security held by the Council over the whole or any part of the Property shall merge in the security created by this legal mortgage.

18.2 **Continuing security**
This legal mortgage shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Council discharges this legal mortgage in writing.

18.3 **Discharge conditional**
Any release, discharge or settlement between the Borrower and the Council shall be deemed conditional on no payment or security received by the Council in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

18.3.1 The Council or its nominee may retain this legal mortgage and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Property, for such period as the Council deems necessary (acting reasonably) to provide the Council with security against any such avoidance, reduction or order for refund, and

18.3.2 The Council may recover the value or amount of such security or payment from the Borrower subsequently as if such release, discharge or settlement had not occurred.

18.4 **Certificates**
A certificate or determination by the Council as to any amount for the time being due to it from the Borrower shall (in the absence of any manifest error) be conclusive evidence of
the amount due

18 5 Rights cumulative
The rights and powers of the Council conferred by this legal mortgage are cumulative, may be exercised as often as the Council considers appropriate, and are in addition to its rights and powers under the general law

18 6 Waivers
Any waiver or variation of any right by the Council (whether arising under this legal mortgage or under the general law) shall only be effective if it is in writing and signed by the Council and applies only in the circumstances for which it was given, and shall not prevent the Council from subsequently relying on the relevant provision

18 7 Further exercise of rights
No act or course of conduct or negotiation by or on behalf of the Council shall, in any way, preclude the Council from exercising any right or power under this legal mortgage or constitute a suspension or variation of any such right or power

18 8 Delay
No delay or failure to exercise any right or power under this legal mortgage shall operate as a waiver

18 9 Single or partial exercise
No single or partial exercise of any right under this legal mortgage shall prevent any other or further exercise of that or any other right

18 10 Consolidation
The restriction on the right of consolidation contained in section 93 of the LPA shall not apply to this legal mortgage

18 11 Partial invalidity
The invalidity, unenforceability or illegality of any provision (or part of a provision) of this legal mortgage under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties

18 12 Counterparts
This legal mortgage may be executed and delivered in any number of counterparts, each
of which is an original and which together have the same effect as if each party had signed the same document

18.13 **Charities Act 2011**

18.13.1 The Property charged is held by the Borrower, a non-exempt charity, and this legal mortgage 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

18.13.2 The charity trustees of the Borrower, being the persons who have the general control and management of its administration certify that

18.13.2.1 they have power under the provisions establishing the charity and regulating its purposes and administration to effect this mortgage, and

18.13.2.2 they have obtained and considered such advice as is mentioned in section 124(2) of the Charities Act 2011

19. **Notices**

19.1 **Service**

Each notice or other communication required to be given under, or in connection with, this legal mortgage shall be

19.1.1 in writing, delivered personally or sent by special delivery or pre-paid first-class letter, and

19.1.2 sent

19.1.2.1 to the Borrower at its registered office 78 Robert Street, Northampton, NN1 3BJ

19.1.2.2 Attention The Chief Executive

19.1.2.3 to the Council at The Guildhall, Northampton, NN1 1DE

Attention The Chief Finance Officer

or to such other address as is notified in writing by one party to the other from time to time

19.2 **Receipt by Borrower**

Any notice or other communication that the Council gives shall be deemed to have been received

19.2.1 if given by hand, at the time of actual delivery, and

19.2.2 if posted, on the second Business Day after the day it was sent by pre-paid first-class post or on the day of actual receipt if by Special Delivery

A notice or other communication given as described in clause 19.1 or clause 19.2.1 on a
day which is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day

19.3 Receipt by Council
Any notice or other communication given to the Council shall be deemed to have been received only on actual receipt

20. Governing law and jurisdiction

20.1 Governing law
This legal mortgage and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

20.2 Jurisdiction
The parties to this legal mortgage irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this legal mortgage or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Council to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

20.3 Other service
The Borrower irrevocably consents to any process in any proceedings under clause 20.2 being served on it in accordance with the provisions of this legal mortgage relating to service of notices. Nothing contained in this legal mortgage shall affect the right to serve process in any other manner permitted by law.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.
SCHEDULE 1

The Property

All that leasehold Property at Danes Camp Leisure Centre, Clennell Road, Northampton, NN4 0RX as demised by the Lease
SCHEDULE 2 - REPRESENTATIONS AND WARRANTIES

1 Registration
Subject to registration pursuant to Part 25 of the Companies Act 2006 and, in the case of real property, registration at the Land Registry and payment of registration fees to Companies House and the Land Registry, it is not necessary to file, record or enrol this legal mortgage with any court or other authority or pay any stamp registration or similar tax in relation to this legal mortgage.

2 Ranking of obligations
This legal mortgage creates (or, once entered into, will create) a valid, legally binding and enforceable Security for the obligations expressed to be secured by it and subject to registration pursuant to Part 25 of the Companies Act 2006 and, in the case of real property, registration at the Land Registry, a perfected Security over the assets referred to in this legal mortgage, in favour of the Council, having the priority and ranking expressed to be created by this legal mortgage and ranking ahead of all (if any) Security and rights of the parties, except those preferred by law.

3 Ownership of Property
The Borrower is the legal and beneficial owner of the Property and has good and marketable title to the Property.

4 No Security
The Property is free from Security other than Permitted Security.

5 Adverse claims
To the Borrower's knowledge, the Borrower has not received or acknowledged notice of any adverse claim by any person in respect of the Property or any interest in it which, if adversely determined, would or would be reasonably likely to have a Material Adverse Effect.

6 Adverse covenants
Except as disclosed in the Certificate of Title, there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever, which materially adversely affect the Property.

7 No breach of laws
There is no breach of any law or regulation which materially adversely affects the
Property

8. **No interference in enjoyment**
Except as disclosed in the Certificate of Title, no facility necessary for the enjoyment and use of the Property is subject to terms entitling any person to terminate or curtail its use.

9. **No overriding interests**
Except as disclosed in the Certificate of Title, nothing has arisen, has been created or is subsisting which would be an overriding interest in the Property.

10. **Avoidance of security**
No Security expressed to be created under this legal mortgage is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise.

17. **Environmental compliance**
To the Borrower's knowledge, the Borrower has, at all times, complied in all respects with all applicable Environmental Law and Environmental Licences to the extent that non-compliance would or would be reasonably likely to have a Material Adverse Effect.
SCHEDULE 3 - COVENANTS
PART 1 - GENERAL COVENANTS

1

Negative pledge and disposal restrictions

1 1 The Borrower shall not at any time, except with the prior written consent of the Council

1 1 1 create, purport to create or permit to subsist, any Security other than a Permitted Security on, or in relation to, the Property other than this legal mortgage, or

1 1 2 sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Property save that the same exceptions set out at Paragraph 2.2 of Schedule 5 (Covenants) of the Facility Agreement, shall apply in respect of the Property, or

1 1 3 create or grant (or purpose to create or grant) any interest in the Property in favour of a third party

2

Preservation of Property

The Borrower shall not do, or permit to be done, any act or thing which would or might materially depreciate, jeopardise or otherwise prejudice the security held by the Council or materially diminish the value of any of the Property or the effectiveness of the security created by this legal mortgage

3

Enforcement of rights

3 1 The Borrower shall use its reasonable endeavours to

3 1 1 procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Borrower and forming part of the Property of the covenants and other obligations imposed on such counterparty, and

3 1 2 enforce any rights and institute, continue or defend any proceedings relating to any of the Property which the Council may reasonably require from time to time

4

Compliance with laws

The Borrower shall comply with all laws and regulations for the time being in force relating to or affecting any Property and shall obtain and promptly renew from time to time and comply with the terms of all authorisations which may be necessary to enable it to preserve, maintain or renew any Property in each case, where failure to do so would or would be reasonably likely to have a Material Adverse Effect
Notice of breaches

The Borrower shall, promptly on becoming aware of any of the same, give the Council notice in writing of any breach of

any representation or warranty set out in Schedule 2, and

any covenant set out in this Schedule 3

Further assurance

The Borrower, at its own cost, shall prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as the Council may reasonably require) in favour of the Council as the Council reasonably requires from time to time over all or any part of the Property and give all notices, orders and directions which the Council may require, reasonably for perfecting, protecting or facilitating the realisation of its security over the Property

Borrower’s waiver of set-off

The Borrower waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Borrower under this legal mortgage)

Authorisations

The Borrower shall obtain all consents and authorisations necessary (and do all that is needed to maintain them in full force and effect) under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under this legal mortgage and to ensure the legality, validity, enforceability and admissibility in evidence of this legal mortgage in its jurisdiction of incorporation

PART 2 - PROPERTY COVENANTS

Repair and maintenance

The Borrower shall keep all premises, and fixtures and fittings on the Property in good and substantial repair and condition and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings which have become worn out or otherwise unfit for use by others of a like nature and equal value

No alterations

The Borrower shall not, without the prior written consent of the Council (such consent not to be unreasonably withheld or delayed)

pull down or remove the whole or any material part of any building forming
part of the Property nor permit the same to occur, or

2.1.2 make or permit to be made any material alterations to the Property or sever or remove or permit to be severed or removed any of its material fixtures or fittings (except to make any necessary repairs or renew or replace the same in accordance with paragraph 1 of this Part 2 of Schedule 3)

PROVIDED THAT it is hereby agreed by the council that undertaking the works referred to in the Facility Agreement will not be in breach of this clause

2.2 The Borrower shall promptly give notice to the Council if any material part of the premises or material fixtures or fittings forming part of the Property are destroyed or damaged to a material extent

3 Development restrictions

3.1 The Borrower shall not, without the prior written consent of the Council (not to be unreasonably withheld or delayed) carry out or permit or suffer to be carried out on the Property any development as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008 or change or permit or suffer to be changed the use of the Property

4 Insurance

4.1 In the event that the Property includes assets which are of an insurable nature and have a reinstatement value (and reasonably prudent persons carrying on the same business as the Borrower would do so), the Borrower shall insure and keep insured the Property against

4.1.1 loss or damage by fire or terrorist acts,

4.1.2 other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Borrower, and

4.1.3 any other risk, perils and contingencies as the Council may reasonably require

4.2 Any such insurance must be with an insurance company or underwriters and on such terms as are reasonably acceptable to the Council and must be for not less than the replacement value of the Property (meaning in the case of any premises on the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for demolition and reinstatement) and loss of rents payable by the tenants or other occupiers of the Property for a period of at least three
The Borrower shall, if requested by the Council, produce to the Council the policy, certificate or cover note relating to any such insurance required by paragraph 4.2 of this Part 2 of Schedule 3.

The Borrower shall, if requested by the Council, procure that a note of the Council's interest is endorsed upon each Insurance Policy maintained by it or any person on its behalf in accordance with paragraph 4.2 of this Part 2 of Schedule 3 and that the terms of each such Insurance Policy require the insurer not to invalidate the policy as against the Council by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Council.

Insurance premiums

The Borrower shall promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep such policy in full force and effect, and shall (if the Council so requires) produce to the Council the receipts for all premiums and other payments necessary for effecting and keeping up the Insurance Policies.

No invalidation of insurance

The Borrower shall not do or omit to do or permit to be done or omitted any thing that may invalidate or otherwise materiously prejudice the Insurance Policies.

Insurance Policies' proceeds

All monies payable under any of the Insurance Policies at any time (whether or not the security constituted by this legal mortgage has become enforceable) shall be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or, after the security constituted by this legal mortgage has become enforceable and if the Council so directs, in or towards discharge or reduction of the Secured Liabilities and be held, pending such payment, by the Borrower upon trust for the Council.

Leases and licences affecting the Property

Save as disclosed in the Certificate of Title, the Borrower shall not, without the prior written consent of the Council which consent is not to be unreasonably withheld or delayed, grant, or agree to grant, any licence or tenancy affecting the whole or any part of the Property, or exercise the statutory powers of leasing (or agreeing to
lease) or of accepting (or agreeing to accept) surrenders under sections 99 or 100 of the LPA; or

8.12 in any other way dispose of (or agree to dispose of), accept the surrender of (or agree to accept the surrender of), surrender (or agree to surrender) or create any legal or equitable estate or interest in the whole or any part of the Property, or

8.13 let any person into occupation of or share occupation of the whole or any part of the Property, or

8.14 grant any consent or licence under any lease or licence affecting the Property

9 No restrictive obligations
The Borrower shall not, without the prior written consent of the Council (such consent not to be unreasonably withheld or delayed), enter into any materially onerous or restrictive obligations affecting the whole or any part of the Property or create or permit to arise any overriding interest, easement or right whatsoever in or over the whole or any part of the Property

10 Proprietary rights
The Borrower shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Property, without the prior written consent of the Council (such consents not to be unreasonably withheld or delayed)

11 Compliance with and enforcement of covenants
11.1 The Borrower shall

11.11 observe and perform all covenants, stipulations and conditions applicable to it and to which the Property, or the use of it, is or may be subject where failure to do so would or would be reasonably likely to have a Material Adverse Effect and (if the Council so requires) produce to the Council evidence sufficient to satisfy the Council (acting reasonably) that those covenants, stipulations and conditions have been observed and performed, and

11.12 diligently enforce all covenants, stipulations and conditions benefiting the Property where failure to do so would or would be reasonably likely to have a Material Adverse Effect and shall not (and shall not agree to) waive, release or vary any of the same

12 Notices or claims relating to the Property
12.1 The Borrower shall
12.1 give full particulars to the Council of any material notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a Notice) that specifically applies to the Property, or to the locality in which it is situated, within fourteen days after becoming aware of the relevant Notice, and

12.1.2 (if the Council so reasonably requires) as soon as is reasonably practicable, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Council in making, such objections or representations in respect of any such Notice as the Council may require (acting reasonably)

12.2 The Borrower shall give full particulars to the Council of any material claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property.

13 Payment of outgoings

The Borrower shall in relation to the Property pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Property or on its occupier.

14 Rent reviews

14.1 The Borrower

14.1.1 shall, if the Property is subject to occupational leases or licences, implement any upwards rent review provisions and shall not, without the prior written consent of the Council (such consent not to be unreasonably withheld or delayed), agree to any change in rent to less than the open market rental value of the relevant part of the Property and

14.1.2 shall not, without the prior written consent of the Council (such consent not to be unreasonably withheld or delayed), if the Property is leasehold, agree to any change in the rent payable under the lease in excess of the open market rental value and shall only agree to any upwards rent review in accordance with the terms of the lease.

14.1.3

15 Environment

15.1 The Borrower shall in relation to the Property

15.1.1 properly discharge all duties of care and responsibility placed upon it by Environmental Law and comply with the terms of any Environmental Licences,
15 1 2 observe and perform all the requirements of Environmental Law, and
15 1 3 apply for and obtain all Environmental Licences,
in each case where failure to do so would or would be reasonably likely to have a
Material Adverse Effect

16 Conduct of business on Property
The Borrower shall carry on its trade and business on those parts (if any) of the Property
as are used for the purposes of its trade or business in accordance with the standards of
good management from time to time current in such trade or business

17 Inspection
The Borrower shall permit the Council and any Receiver and any person appointed by
either of them to enter on and inspect the Property at reasonable times and on
reasonable prior notice

18 VAT option to tax
18 1 The Borrower shall not, without the prior written consent of the Council (such consent
not to be unreasonably withheld or delayed).
18 1 1 exercise any VAT option to tax in relation to the Property, or
18 1 2 revoke any VAT option to tax exercised prior to and disclosed to the Council in
writing prior to the date of this legal mortgage

19 Property Rights
19 1 The Borrower hereby covenants with the Council on behalf of itself and its successors
that following enforcement of the security created by this legal mortgage, the Borrower
will at the request and direction of the Council
19 1 1 Grant with full title guarantee the Property Rights to the Council, its Receiver,
any Delegate or any person or persons to whom the Property may be
transferred by the Council its Receiver or any Delegate for the benefit of the
Property, and
19 1 2 If required by the Council, to procure that every successor delivers to the
Council a deed containing a covenant by the successor in the same form as
the covenants contained in clauses 19 1 1 and 19 1 2 of Part 2 of Schedule 3
to this legal mortgage
SCHEDULE 4 - POWERS OF THE COUNCIL

1 Power to remedy

1.1 The Council shall be entitled (but shall not be obliged) to remedy a breach at any time by the Borrower of any of its obligations contained in this legal mortgage. The Borrower irrevocably authorises the Council and its agents to do all such things as are necessary for that purpose.

1.2 In remedying any breach in accordance with paragraph 1.1 of this Schedule 4, the Council, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Council may reasonably consider necessary including, without limitation, carrying out any repairs, other works or development.

2 Exercise of rights

The rights of the Council under paragraph 1 of this Schedule 4 are without prejudice to any other rights of the Council under this legal mortgage. The exercise of those rights shall not make the Council liable to account as a mortgagee in possession.

3 Council has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this legal mortgage on a Receiver may, after the security constituted by this legal mortgage has become enforceable, be exercised by the Council in relation to any of the Property whether or not it has taken possession of any Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

4 Conversion of currency

For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Council may convert any monies received, recovered or realised by the Council under this legal mortgage (including the proceeds of any previous conversion under this paragraph 4) from their existing currencies of denomination into such other currencies of denomination as the Council may think fit. Any such conversion shall be effected at the Council's bank's then prevailing spot selling rate of exchange for such other currency against the existing currency. Each reference in this paragraph 4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.
SCHEDULE 5 - POWERS OF A RECEIVER

1 Power to repair and develop the Property
A Receiver may undertake or complete any works of repair, alteration, building or development on the Property and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

2 Power to grant or accept surrenders of leases
A Receiver may grant, or accept surrenders of, any leases or tenancies affecting the Property and may grant any other interest or right over the Property on such terms and subject to such conditions as he thinks fit.

3 Power to employ personnel and advisers
A Receiver may, for the purposes of this Schedule 5, provide services and employ, or engage, such managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on such salaries, for such periods and on such other terms as he thinks fit. A Receiver may discharge any such person or any such person appointed by the Borrower.

4 Power to make and revoke VAT options to tax
A Receiver may exercise or revoke any VAT option to tax as he thinks fit.

5 Power to charge for remuneration
A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Council may prescribe or agree with him.

6 Power to realise Property
A Receiver may collect and get in the Property or any part of it in respect of which he is appointed and make such demands and take such proceedings as may seem expedient for that purpose, and take possession of the Property with like rights.

7 Power to manage or reconstruct the Borrower’s business
A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Borrower carried out at the Property.

8 Power to dispose of Property
A Receiver may grant options and licences over all or any part of the Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the Property in respect of which he is appointed for such consideration and, in such manner (including, without limitation, by public auction or private sale) and generally on such terms and conditions as he thinks fit. A Receiver may promote, or concur in promoting, a Borrower to purchase the Property to be disposed of by him.
9 Power to sever fixtures and fittings
A Receiver may sever and sell separately any fixtures or fittings from the Property without the consent of the Borrower.

10 Power to give valid receipts
A Receiver may give valid receipts for all monies and execute all assurances and things which may be proper or desirable for realising any of the Property.

11 Power to make settlements
A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person as he thinks fit.

12 Power to bring proceedings
A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Property as he thinks fit.

13 Power to insure
A Receiver may, if he thinks fit, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this legal mortgage.

14 Powers under LPA
A Receiver may exercise all powers provided for in the LPA in the same way as if he had been duly appointed under that act and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986.

15 Power to borrow
A Receiver may, for any of the purposes authorised by this Schedule 5, raise money by borrowing from the Council (or from any other person) on the security of all or any of the Property in respect of which he is appointed on such terms as he thinks fit (including, if the Council consents, terms under which such security ranks in priority to this legal mortgage).

16 Power to redeem prior Security
A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

17 Power of absolute beneficial owner
A Receiver may do all such acts and things as an absolute beneficial owner could do in the ownership and management of the Property or any part of it.

18 Incidental powers
A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 5, or which he lawfully may or can do as agent for the Borrower.
EXECUTED on the date which first appears in this Deed

The Common Seal of
NORTHAMPTON BOROUGH COUNCIL
was hereunto affixed in the presence of -

\[Signature\]
Authorised Officer

EXECUTED as a DEED by
UNITY LEISURE
acting by a Director and its Company Secretary

\[Signature\]
SIGNATURE OF DIRECTOR
Full Name
\[Name\]

\[Signature\]
SIGNATURE OF COMPANY SECRETARY
Full Name
\[Name\]

Certified as a true and original copy

\[Signature\]
DUNGAN BISATT
Solicitor
LESS LAW LIMITED
24th May 2015.