

M

Please do not
write in
this margin

CHA 116

Please complete
legibly, preferably
in black type, or
bold block lettering

*insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

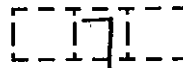
395

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number



2058177

Name of company

* HEALTHCALL MEDICAL (HOLDINGS) LIMITED ("HMHL")

Date of creation of the charge

29 July 1998

Description of the instrument (if any) creating or evidencing the charge (note 2)

(see continuation sheet 1, page 1)

Amount secured by the mortgage or charge

Under the terms of clause 2 of the Second Deed, the Debenture (as defined below) shall be amended by the deletion in its entirety of clause 2.7 and any reference elsewhere in the Debenture thereto.

Save as amended by clause 2 of the Second Deed under the terms of clause 6.1 of the Second Deed, the provisions of the Debenture shall continue in full force and effect.

Under the terms of Clause 2.1 of the Debenture, HMHL:

(see continuation sheet no. 1 page 2)

Names and addresses of the mortgagees or persons entitled to the charge

The Royal Bank of Scotland PLC of Waterhouse Square, 138-142 Holborn, London
("RBS")

Postcode

EC1N 2TH

Presentor's name address and
reference (if any);

Norton Rose
Kempson House
Camomile Street
London EC3A 7AN

txp/Z846480/395.005

Time critical reference

For official use
Mortgage Section

Post room



Under the terms of clause 3.1 of the Deed, HMHL, with full title guarantee, charges to the Chargee (as defined below) by way of first legal mortgage each of the properties set out in Part A of schedule 2 to the Deed, in accordance with clause 3.1(a) of the Debenture (Part A of schedule 2 to the Deed shows no property being charged by HMHL in this way).

Under the terms of clause 3.2 of the Deed, HMHL, with full title guarantee, charges to the Chargee by way of the first floating charge each of the properties listed in Part B of Schedule 2 to the Deed (Part B of Schedule 2 to the Deed shows no property being charged by HMHL in this way) in accordance with clause 3.4 of the Debenture.

Under the terms of clause 3.3 of the Deed, HMHL expressly acknowledges the provisions of clause 3.10 of the Debenture in respect of the properties referred to in Part B of Schedule 2 to the Deed (Part B of Schedule 2 to the Deed shows no property being charged by HMHL in this way).

(see continuation sheet No. 1, page 4)

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block
lettering

Particulars as to commission allowance or discount (note 3)

NIL

Signed Norton Rose

Date 5/8/98

On behalf of ~~(company)~~ [mortgagee/chargee]†

† delete as
appropriate

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his:
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.

Please do not
write in this
binding margin

Particulars of a mortgage or charge (continued)

Continuation sheet No 1
to Form No 395 and 410 (Scot)

CHA 116

Please complete
legibly, preferably
in black type, or
bold block lettering

Company Number

2058177

Name of Company

HEALTHCALL MEDICAL (HOLDINGS)

Limited*

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

A supplemental deed dated 29 July 1998 (the "**Second Deed**") made between the Parent (as defined below) (1), the companies whose respective names and registered numbers are set out in schedule 1 to the Second Deed (the "**Charging Subsidiaries**") (see continuation sheet 2, page 1)(2) and The Royal Bank of Scotland plc (3)

Definitions

The following definitions shall apply through this form:

"Parent" means HCMS Limited (Co. No. 3446369);

(see continuation sheet no. 2 page 1)

- (a) covenants that it will pay to the Chargee all moneys and discharge all obligations and liabilities now or hereafter due, owing or incurred by it to the Secured Parties or any of them including, without limitation, all moneys, obligations and liabilities due, owing or incurred under or pursuant to the Secured Documents (as defined below); and
- (b) irrevocably and unconditionally guarantees;
 - (i) the due performance by each other Company of all its obligations under or pursuant to the Secured Documents to which it is a party; and
 - (ii) the payment of all moneys and discharge of all liabilities now or hereafter due, owing or incurred to the Secured Parties or any of them including, without limitation, all moneys, obligations and liabilities due, owing or incurred under or pursuant to the Secured Documents by each other Company and by any other present or future Subsidiary of the Parent or of any Company (except any obligations or liabilities of such other Company or Subsidiary as guarantor for the Company concerned),

in each case when the same become due for payment or discharge whether by acceleration or otherwise, and whether such moneys, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to the Secured Parties or any of them or purchased or otherwise acquired by any of them; denominated in sterling or in any other currency, or incurred on any banking account or in any other manner whatsoever.

In the case of the guarantee in clause 2.1(b) of the Debenture, if for any reason any such person fails to discharge any such obligation or liability or to pay any such moneys, HMHL shall immediately on demand by the Chargee discharge such obligation or liability or, as the case may be, pay such moneys to the Chargee.

Under the terms of clause 2.2 of the Debenture, the liabilities referred to in clause 2.1 shall, without limitation, include:

- (a) all liabilities under or in connection with foreign exchange transactions, interest rate swaps and other arrangements entered into for the purpose of limiting exposure to fluctuations in interest or exchange rates;
- (b) all liabilities arising from the issue, acceptance, endorsement, confirmation or discount of any negotiable or non-negotiable instruments, documentary or other credits, bonds, guarantees, indemnities or other instruments of any kind; and

(see continuation sheet 2 page 2)

Please do not
write in this
binding margin

Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

Please complete
legibly, preferably
in black type, or
bold block lettering

Under the terms of clause 3.4 of the Deed, HMHL, with full title guarantee, charges (or, in the case of the assets referred to in clause 3.3 of the Debenture, assigns) to the Chargee all its other assets and undertakings (and all rights in respect thereof) not referred to in clauses 3.1 and 3.2 of the Deed in the manner described in clauses 3.1, 3.2, 3.3 and 3.4 of the Debenture as if such clauses of the Debenture were set out in the Deed in full, mutatis mutandis.

Under the terms of Clause 3.1 of the Debenture, HMHL, with full title guarantee, charges to the Chargee as a continuing security for the payment and discharge of the Secured Obligations:

- (a) by way of first legal mortgage, all freehold and leasehold property (provided that, in the case of HMHL, only that property set out in schedule 2 to the Deed by virtue of which HMHL acceded to the Debenture and which, in accordance with the provisions of the Deed, is intended to be the subject of a legal mortgage shall be subject to a first legal mortgage) wheresoever situate (other than any heritable property in Scotland) now owned by HMHL or in which HMHL has an interest, together with all liens, charges, options, agreements, rights and interests in or over such property or the proceeds of sale of such property and all buildings and Fixtures thereon and all rights, easements and privileges appurtenant to, or benefiting, the same;
- (b) by way of first fixed charge (to the extent not the subject of a legal mortgage by virtue of clause (a) above) all present and future freehold and leasehold property wheresoever situate (other than any heritable property in Scotland and any leasehold property referred to in clause 3.10 below) now or from time to time hereafter owned by HMHL or in which HMHL may have an interest, together with all liens, charges, options, agreements, rights and interests in or over such property or the proceeds of sale of such property and all buildings and Fixtures thereon and all rights, easements and privileges appurtenant to, or benefiting, the same and provided that any future leasehold property which is subject to a lease term of less than 25 years and in respect of which the initial annual rental thereunder is less than £50,000 shall not be the subject of a first fixed charge;
- (c) by way of first fixed charge, all plant, machinery and other equipment now or from time to time hereafter owned by HMHL or in which HMHL has an interest and the benefit of all contracts and warranties relating to the same;
- (d) by way of first fixed charge all stocks, shares, bonds and securities of any kind whatsoever (including warrants and options to acquire or subscribe any of the same) whether marketable or otherwise and all other interests (including but not limited to loan capital) in any person, now or from time to time hereafter owned by HMHL or in which HMHL has an interest, including all allotments, rights, benefits and advantages whatsoever at any time accruing, offered or arising in respect of or incidental to the same and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect thereof;

(see continuation sheet 2 page 4)

Please do not
write in this
binding margin

Particulars of a mortgage or charge (continued)

Continuation sheet No 2
to Form No 395 and 410 (Scot)

CHA 116

Please complete
legibly, preferably
in black type, or
bold block lettering

Company Number

2058177

Name of Company

HEALTHCALL MEDICAL (HOLDINGS)

Limited*

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Schedule 1 to the Second Deed sets out the following:

The Charging Subsidiaries

Company Name

Company No.

Healthcall Group Limited
Healthcall Limited
Healthcall Services Limited
HMHL
Healthcall Scotland Limited
Croft Home Care Limited
Medical Support Personnel Limited
Sheffield and Rotherham Nursing Limited

2422701
1437517
1963820
2058177
SC178419
SC117815
2220744
2975918

- (c) interest (both before and after judgement) to date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees and other charges and all legal costs, charges and expenses on a full and unqualified indemnity basis which may be incurred by the Secured Parties or any of them in relation to the enforcement or recovery of any such moneys, obligations or liabilities.

Please complete
legibly, preferably
in black type, or
bold block lettering

Under the terms of clause 2.3 of the Debenture, as a separate and independent stipulation, HMHL irrevocably and unconditionally agrees that if any purported obligation or liability of any other Company which would have been the subject of its Guarantee had it been valid and enforceable is not or ceases to be valid or enforceable against such other Company on any ground whatsoever whether or not known to the Secured Parties or any of them (including, without limitation, any irregular exercise or absence of any corporate power or lack of authority of, or breach of duty by, any person purporting to act on behalf of such other Company or any legal or other limitation, whether under the Limitation Acts or otherwise, any disability or Incapacity (as defined below) or any change in the constitution of such other Company) it shall nevertheless be liable in respect of that purported obligation or liability as if the same were fully valid and enforceable and it were a principal debtor in respect thereof. HMHL irrevocably and unconditionally agrees with the Chargee (as trustee for the other Secured Parties) to indemnify and keep indemnified the Secured Parties against any loss or liability arising from any failure of a Company to perform or discharge any such purported obligation or liability or from any invalidity or unenforceability of any of the same against a Company.

All the above to be referred to as the "**Secured Obligations**".

Definitions

The following definitions shall apply throughout this form:

"**Acquisition**" means the acquisition by the Parent of the shares in the Target;

"**Agent**" means RBS or such other person as may be appointed agent for the Banks and, in each case, its successors in title;

"**Ancillary Facilities**" means the ancillary facilities made available in accordance with the Facilities Agreement and the Ancillary Facilities Letter or on such other terms as may be approved by the Majority Banks from time to time;

"**Ancillary Facilities Bank**" means RBS and includes its assignees and transferees;

"**Ancillary Facilities Letter**" means the letter in the agreed form entered into between the Ancillary Facilities Bank and the relevant Working Capital Facility Borrowers setting out the terms and conditions on and subject to which the Ancillary Facilities are made available;

"**Arranger**" means RBS;

(see continuation sheet 3 page 2)

Please do not
write in this
binding margin

Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

Please complete
legibly, preferably
in black type, or
bold block lettering

- (e) by way of first fixed charge, all book and other debts, revenues and claims, whether actual or contingent, whether arising under contracts or in any other manner whatsoever now or from time to time hereafter owned by HMHL or in which HMHL has an interest (whether originally owing to HMHL or purchased or otherwise acquired by it) and all things in action which may give rise to any debt, revenue or claim, together with the full benefit of any Encumbrances (as defined below), Collateral Instruments (as defined below) and any other rights relating thereto (whether as creditor or beneficiary) including, without limitation, reservations of proprietary rights, rights of tracing and unpaid vendor's liens and associated rights and including all rights under the Offer, the Offer Documents (as defined below) and the receiving bankers agreement between Bank of Scotland and the Parent and all rights under each of them whatsoever, but excluding any assets the subject of a charge pursuant to clause (f), (g) or (h) below;
- (f) by way of first fixed charge, the proceeds of collection of all Debts (as defined below) and any and all amounts from time to time standing to the credit of any bank or other account (including a current account) of HMHL;
- (g) by way of first fixed charge, all moneys from time to time payable to HMHL under or pursuant to the Insurances (as defined below) including, without limitation, the right to the refund of any premiums;
- (h) by way of first fixed charge, (i) the Target Loan Agreement and all amounts from time to time owing to the Parent, and other rights arising, under it and (ii) the Target Debenture and all rights thereunder whatsoever;
- (i) by way of first fixed charge, the goodwill and uncalled capital of HMHL;
- (j) by way of first fixed charge, all present and future patents, trade marks, service marks and registered designs now or from time to time hereafter owned by HMHL or in which HMHL may have an interest;
- (k) by way of first fixed charge, all patents, trade marks and service marks (whether registered or not) and applications for the same, trade names, registered designs, design rights, copyrights, computer programmes, know-how and trade secrets and all other industrial or intangible property or rights and all licences, agreements and ancillary and connected rights relating to, intellectual and intangible property, in each case now or from time to time hereafter owned by HMHL, excluding the property specified in clause (j) above.

Under the terms of clause 3.2 of the Debenture, HMHL with full title guarantee charges to the Chargee as a continuing security for the payment and discharge of the Secured Obligations all its rights, titles, benefits and interests whatsoever, whether present or future, proprietary, contractual or otherwise in respect of any claim under or arising out of the Reports (as defined below), in each case as from time to time varied, extended or replaced, including, without limitation, all claims for damages or other remedies in respect of the Reports or any inaccuracy in the Reports.

(see continuation sheet 3 page 4)

Please do not
write in this
binding margin

**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 3
to Form No 395 and 410 (Scot)

CHA 116

Please complete
legibly, preferably
in black type, or
bold block lettering

Company Number

2058177

Name of Company

HEALTHCALL MEDICAL (HOLDINGS)

Limited*

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

"Banks" means the banks and financial institutions listed in schedule 1 of the Facilities Agreement (being RBS) and includes their successors in title and Substitutes;

"Chargee" means the Security Trustee;

"Company" means the Parent and each Subsidiary (if any) of the Parent which, pursuant to the terms of the Facilities Agreement or the Mezzanine Loan Agreement, becomes a party to the Debenture pursuant to a Supplemental Deed or other document;

"Debenture" means a composite guarantee and debenture dated 16 February 1998 made between the Parent (1), certain Subsidiaries of the Parent (upon accession)(2) and the Security Trustee (3) (as supplemented, amended or varied prior to the date hereof (including, without limitation, by a supplemental deed dated 30 March 1998 pursuant to which the Charging Subsidiaries acceded to the Debenture));

"Deed" means a supplemental deed dated 30 March 1998 pursuant to which the charging subsidiaries acceded to the Debenture;

"Facilities" means either or both (as the context requires) of the Acquisition Facility and the Working Capital Facility (which, for the avoidance of doubt, includes the Ancillary Facilities within it);

"Facilities Agreement" means the facilities agreement dated 16th February, 1998 made between the Parent (1), RBS as Arranger (2), the Banks (3), RBS as the Ancillary Facilities Bank (4), RBS as the Hedge Counterparty (5), and RBS as the Agent (6) pursuant to which the Banks agree to make available to the Parent (and certain of its Subsidiaries) a £27,500,000 secured term loan for the purpose of satisfying part of the purchase consideration payable by the Parent for the acquisition of the Target and a revolving credit and ancillary facility of up to £3,000,000, as that agreement may from time to time be amended, varied, novated, supplemented or replaced including, without limitation, by the increase or extension of maturity of the facilities or any of them or by any change in the identity of any of the Secured Parties;

"Finance Parties" means the Agent, the Arranger, the Banks, the Ancillary Facilities Bank, the Hedge Counterparty and the Security Trustee and (as the context requires)

"Finance Party" means any one of them;

"Group" means the Parent and all its Subsidiaries for the time being;

"Guarantee" means, in relation to HMHL, the obligations of HMHL pursuant to clause 2.1(b) of the Debenture and includes the obligations of HMHL arising by virtue of clauses 2.3 and 12 of the Debenture;

"Hedge Counterparty" means RBS;

"Hedge Documents" means the document evidencing the Hedge Transactions;

"Hedge Transactions" means the interest rate arrangements to be entered into between the Parent and the Hedge Counterparty pursuant to the Facilities Agreement and the Mezzanine Loan Agreement;

"Incapacity", in relation to a person, means the insolvency, liquidation, dissolution, winding-up, administration, receivership, amalgamation, reconstruction or other incapacity of that person whatsoever (and, in the case of a partnership, includes the termination or change in the composition of the partnership) or any analogous proceeding occurring in relation to that person whatsoever;

(see continuation sheet 4 page 2)

Please complete
legibly, preferably
in black type, or
bold block lettering

Please do not
write in this
binding margin

Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

Please complete
legibly, preferably
in black type, or
bold block lettering

Under the terms of clause 3.4 of the Debenture HMHL, with full title guarantee, charges to the Chargee by way of first floating charge as a continuing security for the payment and discharge of the Secured Obligations its undertaking and all its property (including, without limitation, any property specified in clause 3.10 of the Debenture), assets and rights whatsoever and wheresoever both present and future, other than any property or assets from time to time effectively charged by way of legal mortgage or fixed charge or assignment pursuant to clauses 3.1, 3.2 and 3.3 above or otherwise pursuant to the Debenture but including (without limitation and whether or not so effectively charged) any of its property and assets situated in Scotland.

Under the terms of clause 3.5 of the Debenture HMHL covenants that it will not without the prior written consent of the Chargee (acting on the instructions of the other Secured Parties in accordance with the terms of the Inter-Creditor Agreement):

- (a) create or attempt to create or permit to subsist in favour of any person other than the Chargee any Encumbrance (except a Permitted Encumbrance) on or affecting the Charged Assets (as defined below) or any part thereof; or
- (b) dispose of the Charged Assets or any part thereof or attempt or agree so to do except in the case of (i) Floating Charge Assets (as defined below) which may, subject to the other provisions of the Debenture, be disposed of in the ordinary course of business and (ii) disposals expressly permitted by the terms of the Facilities Agreement or, after the Cross-over Date, the Mezzanine Loan Agreement.

Under the terms of clause 3.6 of the Debenture, notwithstanding anything expressed or implied in the Debenture, if HMHL creates or attempts to create any Encumbrance (other than a Permitted Encumbrance) over all or any of the Floating Charge Assets without the prior written consent of the Chargee (acting on the instructions of the other Secured Parties in accordance with the terms of the Inter-Creditor Agreement) or if any person levies or attempts to levy any distress, execution, sequestration or other process or does or attempts to do any diligence in execution against any of the Floating Charge Assets, the floating charge created by clause 3.4 above over the property or asset concerned shall thereupon automatically without notice be converted into a fixed charge.

(see continuation sheet 4 page 4)

Please do not
write in this
binding margin

**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 4
to Form No 395 and 410 (Scot)

CHA 116

Please complete
legibly, preferably
in black type, or
bold block lettering

Company Number

2058177

Name of Company

HEALTHCALL MEDICAL (HOLDINGS)

Limited*

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

"Indebtedness" means any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent;

"Inter-Creditor Agreement" means the Inter-Creditor Agreement dated 16th February 1998 made between the Parent, RBS and RBS Mezzanine Limited;

"Investment Agreement" means (i) the investment agreement in the agreed form dated 16th February, 1998 between (among others) the Investors, the Management Team, RBS Mezzanine Limited and the Parent and (ii) the deed of covenant in the agreed form dated on or about the date of the Facilities Agreement between the Investors, the Parent and certain executive officers of the Parent (not being in the Management Team);

"Investors" means the several persons (other than the Management Team) defined as "Investors" in the Investment Agreement and which are subscribing shares and the Loan Stock in the Parent pursuant to the Investment Agreement;

"Loan Documents" mean the Facilities Agreement, the Ancillary Facilities Letter, the Hedge Documents and the Mezzanine Loan Agreement and any agreements made in respect of hedging arrangements permitted under the Facilities Agreement (other than pursuant to Hedge Documents) between a Company and a Bank;

"Loan Stock" means the variable rate unsecured subordinated loan stock issued or to be issued by the Parent to the Investors in an aggregate maximum amount of £24,430,000;

"Majority Banks" means at any relevant time Banks (a) the aggregate of whose contributions to the facilities made available under the Facilities Agreement exceeds $66\frac{2}{3}$ per cent. of the total contributions in respect of the facilities or (b) (if no principal amounts are outstanding under the Facilities Agreement) the aggregate of whose commitments in respect of the facilities exceeds $66\frac{2}{3}$ per cent. of the total commitments in respect of the facilities but so that if at such time the total commitments in respect of any facility have been reduced to zero references to a Bank's commitment in relation to such facility shall be construed as amongst the Finance Parties (and not so as to give any rights to any other person) as a reference to that Bank's commitment in relation to such facility immediately prior to such reduction to zero;

"Management Team" means Maurice Henchey, Nigel Howard and Neil Kaiper-Holmes;

"Mezzanine Lenders" means the lenders and financial institutions listed in schedule 1 of the Mezzanine Loan Agreement (being RBS Mezzanine Limited) and includes their successors in title and substitutes;

"Mezzanine Loan Agreement" means the £7,500,000 mezzanine loan agreement between RBS Mezzanine Limited and the Parent dated 16th February 1998;

"Mezzanine Parties" mean the Mezzanine Lenders and RBS Mezzanine Limited or such other person as may be appointed agent for the Mezzanine Lenders and in each case its successors in title, and RBS Mezzanine Limited as arranger under the Mezzanine Loan Agreement;

(see continuation sheet 5 page 2)

Please do not
write in this
binding margin

Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

Please complete
legibly, preferably
in black type, or
bold block lettering

Under the terms of clause 3.7 of the Debenture, notwithstanding anything expressed or implied in the Debenture but without prejudice to clause 3.6 above, the Chargee shall be entitled at any time after the occurrence of an event of default which is continuing by giving notice in writing to that effect to HMHL to convert the floating charge over all or any part of the Floating Charge Assets into a fixed charge as regards the assets specified in such notice.

Under the terms of clause 3.9 of the Debenture, the obligation on the part of the Secured Parties to make further advances to HMHL under the Loan Documents shall be deemed to be incorporated in the Debenture for the purposes of section 94(1)(c) Law of Property Act 1925.

Under the terms of clause 3.10 of the Debenture, any leasehold property specified in schedule 2 to the Deed pursuant to which HMHL became party to the Debenture (Schedule 2 to the Deed shows no property being charged by HMHL in this way) or which (subject to the proviso to clause 3.1(b) of the Debenture) is subsequently acquired by HMHL in respect of which the terms of the lease require landlord's consent prior to the charging of such lease shall not be the subject of a legal mortgage or fixed charge under clause 3.1(a) or (b) of the Debenture until such time as landlord's consent is obtained.

Under the terms of clause 6.1 of the Debenture, HMHL shall if and when at any time required by the Chargee execute such further Encumbrances and assurances in favour or for the benefit of the Chargee and the other Secured Parties and do all such acts and things as the Chargee shall from time to time (acting reasonably) require over or in relation to all or any of the Charged Assets to secure the Secured Obligations or to perfect or protect the Chargee's security over the Charged Assets or any part thereof or to facilitate the realisation of the same.

Under the terms of clause 12.1 of the Debenture, the Debenture and the obligations of HMHL under the Debenture (including, without limitation, the Guarantees) shall extend to the ultimate balance from time to time owing in respect of the Secured Obligations and shall be a continuing security notwithstanding any intermediate payment, partial settlement or other matter whatsoever.

Definitions

The following definitions shall apply throughout this form:

"Accountants' Report" means the agreed form report dated on or about the date of the Facilities Agreement compiled by Price Waterhouse and addressed to (among others) the Parent and the Finance Parties;

"Charged Assets" means, in relation to HMHL, all assets of HMHL described in clauses 3.1, 3.2, 3.3, and 3.4 of the Debenture;

(see continuation sheet 5 page 4)

Please do not
write in this
binding margin

**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 5
to Form No 395 and 410 (Scot)

CHA 116

Please complete
legibly, preferably
in black type, or
bold block lettering

Company Number

2058177

Name of Company

HEALTHCALL MEDICAL (HOLDINGS)

Limited*

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

"Security Documents" means (i) the Debenture, (ii) any and all other mortgages, charges, pledges, guarantees and other instruments from time to time entered into by any member of the Group by way of guarantee, other assurance and/or security in respect of amounts owed to the Finance Parties under the Facilities Agreement (whether or not also in respect of any other Indebtedness) (iii) the Inter-Creditor Agreement, (iv) the Subordination Deed and (v) the Target Debenture;

"Secured Documents" means the Loan Documents and the Security Documents;

"Secured Parties" means the Banks, the Agent, the Chargee, the Arranger, the Ancillary Facilities Bank, the Hedge Counterparty and the Mezzanine Parties;

"Security Trustee" means RBS or such other person as may be appointed Security Trustee;

"Subordination Deed" means the agreed form subordination deed dated 16th February, 1998 between (among others) the Parent, the Security Trustee and the Investors;

"Supplemental Deed" means a deed supplemental to the Debenture executed by a Subsidiary of the Parent by virtue of which that Subsidiary becomes bound by the Debenture in the capacity of a Company;

"Subsidiary" means (a) a subsidiary within the meaning of section 736 of the Companies Act 1985; and (b) for the purposes of certain provisions of the Facilities Agreement, a subsidiary undertaking within the meaning of section 258 of the Companies Act 1985;

"Substitute" means a bank receiving by way of novation all or any part of a Bank's rights, benefits and/or obligations under the Facilities Agreement and the Inter-Creditor Agreement;

"Target" means Healthcall Group plc (Company number 2422701);

"Target Debenture" means the composite guarantee and debenture in the agreed form entered into by Healthcall Group plc, Healthcall Limited, Healthcall Services Limited, HMHL, Healthcall Scotland Limited, Medical Support Personnel Limited, Sheffield & Rotherham Nursing Limited, Nottingham Off Duty Services Limited, Healthcall Nightline Limited, Euromed Personnel Limited, Healthcall Optical Services (Manchester) Limited, Emergency Doctors Limited, Batch Hold Limited, Central Relief Services Limited, Duty Doctor Limited, Healthcall Lanarkshire Limited and Healthcall Optical Services in favour of the Parent as security for the Target Loan Agreement;

"Target Loan Agreement" means the loan agreement in the agreed form between the Parent and the Target;

"Working Capital Facility Borrowers" means the Parent and those of its Subsidiaries which with the consent of the Agent accede to the Facilities Agreement as Working Capital Facility Borrowers.

Please do not
write in this
binding margin

Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

Please complete
legibly, preferably
in black type, or
bold block lettering

"Collateral Instruments" means negotiable and non-negotiable instruments, guarantees and any other documents or instruments which contain or evidence an obligation (with or without security) to pay, discharge or be responsible directly or indirectly for, any liabilities of any person and includes any document or instrument creating or evidencing an Encumbrance;

"Credit Documents" means the Facility Agreement, the Ancillary Facilities Letter and the Hedge Documents;

"Cross-over Date" means the date on which the Agent notifies the Security Trustee and agent under the Mezzanine Loan Agreement that it is satisfied that the liabilities to the Agent, the Arranger, the Banks, the Hedge Counterparty and the Ancillary Facilities Bank under the Credit Documents have been fully and finally satisfied;

"Debts" means, in relation to HMHL, the assets of HMHL described in clause 3.1(e) of the Debenture;

"Encumbrance" means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, standard security, assignment, trust arrangement for the purpose of providing security or other security interest of any kind securing any obligation of any person or any other type of preferential arrangement (including without limitation title transfer and/or retention arrangements having a similar effect) and includes any agreement to create any of the foregoing;

"Finance Lease" means any lease under which a member of the Group is the lessee which is or should be treated as a finance lease (and includes any hire purchase contract or other arrangement which is or should be similarly treated);

"Fixtures" means, in relation to a property, all fixtures and fittings (including trade fixtures and fittings), fixed plant and machinery and other items attached to that property, whether or not constituting a fixture at law;

"Floating Charge Assets" means, in relation to HMHL, the assets of HMHL from time to time charged by the Debenture by way of floating charge;

"Insurances" means, in relation to HMHL, all present and future contracts or policies of insurance (including life assurance policies) taken out by HMHL or in which HMHL from time to time has an interest but excluding the Keyman Insurance Policies;

"Keyman Insurance Policy" means the keyman insurance policy (No. 3975792) effected by the Target on the life of Maurice Henchey with Scottish Equitable plc commencing on 1st April, 1996 as amended or replaced from time to time;

"Legal Due Diligence Report" means the agreed form report dated 13 February 1998 compiled by Travers Smith Braithwaite and addressed to (among others) the Parent and the Finance Parties;

"Market Report" means the agreed form report dated 5 February 1998 compiled by Bain & Co. and addressed to (among others) the Parent and the Finance Parties;

(see continuation 6 page 4)

Please do not
write in this
binding margin

**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 6
to Form No 395 and 410 (Scot)

CHA 116

Please complete
legibly, preferably
in black type, or
bold block lettering

Company Number

2058177

Name of Company

HEALTHCALL MEDICAL (HOLDINGS)

Limited*

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Empty space for description of the instrument

Please complete
legibly, preferably
in black type, or
bold block lettering

Please do not
write in this
binding margin

Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

Please complete
legibly, preferably
in black type, or
bold block lettering

"Offer" means the offer proposed to be made by the Parent to acquire the whole of the share capital of the Target not already owned by the Parent as such offer may from time to time be amended, added to, revised, renewed or waived in accordance with the terms of the Facilities Agreement;

"Offer Documents" means each of the offer documents issued, or to be issued, by the Parent to the shareholders of the Target (including the forms of acceptance) in respect of the Offer;

"Permitted Encumbrance" means an Encumbrance being any of the following, namely:

- (a) title retention arrangements arising in the ordinary course of trading with suppliers of goods to a member of the Group;
- (b) any Encumbrance arising by operation of law (not by contract or otherwise) including, without limitation, banker's liens or rights of set-off and liens arising in the ordinary course of trading by operation of law and not by way of contract so long as any amounts in respect of which such liens or rights of set-off arise are not more than 60 days overdue for payment;
- (c) any Encumbrance created by any of the Security Documents;
- (d) any Encumbrance created or existing with the prior written consent of the Agent acting on the instructions of all the Banks;
- (e) any Encumbrance constituted by any permitted Finance Lease;
- (f) any Encumbrance created by any member of the Target Group over its assets existing at the date of the Facilities Agreement provided that it is discharged (to the satisfaction of the Agent) within 10 banking days of the first drawdown date; and
- (g) any banker's contractual right of set-off in favour of Bank of Scotland for so long as members of the Group are entitled to operate banking facilities with Bank of Scotland;

"Reports" means the Accountants' Report, the Legal Due Diligence Report and the Market Report.

Please complete
legibly, preferably
in black type, or
bold block lettering

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 02058177

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SUPPLEMENTAL DEED DATED THE 29th JULY 1998 AND CREATED BY HEALTHCALL MEDICAL (HOLDINGS) LIMITED FOR SECURING ALL MONIES OBLIGATIONS AND LIABILITIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE ROYAL BANK OF SCOTLAND plc AS SECURITY TRUSTEE FOR THE SECURED PARTIES (AS DEFINED) UNDER OR PURSUANT TO THE SECURED DOCUMENTS (AS DEFINED) OR ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 6th AUGUST 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 10th AUGUST 1998.

A handwritten signature in dark ink, appearing to read 'A. J. Wakeham'.

A. J. WAKEHAM
for the Registrar of Companies



C O M P A N I E S H O U S E

96
10/86
R