



Registration of a Charge

Company name: **CHS HEALTHCARE LIMITED**

Company number: **02797701**



X9CUPFG0

Received for Electronic Filing: **04/09/2020**

Details of Charge

Date of creation: **03/09/2020**

Charge code: **0279 7701 0006**

Persons entitled: **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED**

Brief description: **PURSUANT TO CLAUSE 3.1(A), CATHERINE COURT, HIGH WYCOMBE, BUCKINGHAMSHIRE OF REGISTERED TITLE NUMBER BM219571 IS CHARGED, AMONGST OTHER PROPERTIES LISTED IN SCHEDULE 4 OF THE CHARGE, INCLUDING ANY BUILDINGS, FIXTURES (INCLUDING TRADE FIXTURES) ON, OR FORMING PART OF, THE PROPERTIES. FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **SHEARMAN & STERLING (LONDON) LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2797701

Charge code: 0279 7701 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 3rd September 2020 and created by CHS HEALTHCARE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th September 2020 .

Given at Companies House, Cardiff on 7th September 2020

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

SHEARMAN & STERLING

EXECUTION FORM

Dated 3 Septmeber **2020**

**THE COMPANIES LISTED IN SCHEDULE 1
as the Charging Companies**

- and -

**HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED
as Security Agent**

DEBENTURE

**Note: the application of recoveries under this debenture is regulated
by the terms of the Intercreditor Agreement dated 25 January 2019**

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THIS DEED is made on 3 September 2020

BETWEEN:

- (1) **THE COMPANIES** listed in Schedule 1; and
- (2) **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED** as security agent for itself and the other Secured Parties (the "**Security Agent**").

RECITALS:

This deed is supplemental to the Existing Debenture (as defined below).

THE PARTIES AGREE AS FOLLOWS:

1. **INTERPRETATION**

1.1 **Definitions**

In this deed:

"**Accounts**" means the material accounts of the Charging Companies opened or maintained in England and Wales set out in Schedule 3 and/or such other material accounts as the Security Agent and the relevant Charging Company shall agree from time to time;

"**Administrator**" means an administrator appointed under Schedule B1 of the Insolvency Act 1986;

"**Agreed Security Principles**" has the meaning given to that term in the Senior Facilities Agreement;

"**Assigned Agreements**" means, in relation to a Charging Company, all its right, title and interest from time to time in and to any Intra Group Loan;

"**Amendment and Restatement Agreement**" means the amendment and restatement agreement dated 3 September 2020 and made between, amongst others, Care UK Health & Social Care Investments Limited as parent, the Mandated Lead Arrangers (as defined therein) and the Security Agent;

"**Charged Property**" means the assets mortgaged, charged or assigned (as applicable) to the Security Agent by this deed;

"**Charging Companies**" means each of the companies listed in Schedule 1;

"**Declared Default**" has the meaning given to that term in the Senior Facilities Agreement;

"**Distribution Rights**" means all dividends, distributions and other income paid or payable on a Subsidiary Share, together with all shares or other property derived from that Subsidiary Share and all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to that Subsidiary Share (whether by way of conversion, redemption, bonus, preference, option or otherwise);

"**Excluded Account**" means the following client account (containing amounts held on behalf of, or on trust for, clients of Care UK Community Partnership Ltd (including, but not limited to, refundable deposits)):

Name: Care UK Community Partnerships Ltd – Residents
Beneficiary: Care UK Community Partnerships Ltd
Bank: HSBC Bank plc

Sort Code: [REDACTED]

Account Number: [REDACTED]

"Excluded Subsidiary Shares" means any Subsidiary Shares the granting of security in respect of which would give rise to a default or termination event or equivalent, or requires the consent of a third party, under any agreement or instrument binding on any member of the Group;

"Existing Debenture" means the English law debenture dated 24 April 2019 and made between the Charging Companies as chargors and the Security Agent as security agent;

"Existing Material Property" means all Material Property owned by a Charging Company on the date hereof or in which a Charging Company is otherwise interested, including those properties listed in Schedule 4 (*Existing Material Property*);

"Floating Charge Asset" means an asset charged under Clause 3.2 (*Floating Charge*);

"Group" has the meaning given to that term in the Senior Facilities Agreement;

"Intercreditor Agreement" means the intercreditor agreement dated 25 January 2019 and made between, among others, Care UK Health & Social Care Investments Limited as Parent, the Mandated Lead Arrangers (as defined therein) and the Security Agent;

"Intra Group Loan" means any loan made by a Charging Company to another Charging Company;

"Lenders" has the meaning given to that term in the Senior Facilities Agreement;

"Material Property" means any registered freehold property situated in the United Kingdom which has a book value in excess of £5,000,000;

"New Material Property" means all Material Property which is acquired by a Charging Company or in which a Charging Company is otherwise interested, in each case after the date of this deed;

"Non-Distressed Disposal" has the meaning given to that term in the Intercreditor Agreement;

"Obligors" means each Obligor (as defined in the Senior Facilities Agreement);

"Premises" means the Existing Material Property and the New Material Property from time to time owned by a Charging Company or in which a Charging Company is otherwise interested.

"Receiver" means a receiver and manager or other receiver appointed in respect of the Charged Assets, or, where permitted by law, administrative receiver appointed in respect of the Charged Property by the Security Agent pursuant to this deed or otherwise;

"Secured Debt Documents" means the Finance Documents and the Hedging Agreements;

"Secured Obligations" means all the Liabilities and all other present and future liabilities and obligations at any time due, owing or incurred by any member of the Group and by each Debtor to any Secured Party under the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity, including without limitation any Liability in respect of any further advances and any Additional Facility (under and as defined in the Senior Facilities Agreement) made under any Debt Document;

"Secured Parties" means

- (a) the Lenders, the Hedge Counterparties and the Agent; and

- (b) the Mandated Lead Arrangers, the Security Agent and any Receiver or Delegate from time to time,

but, in the case of the Agent, and each Mandated Lead Arranger, Lender or Hedge Counterparty, only if it is a Party or has acceded to the Intercreditor Agreement, in the appropriate capacity, pursuant to clause 20 (*Creditor Accession Undertaking*) of the Intercreditor Agreement;

"Senior Facilities Agreement" means the senior facilities agreement dated 4 December 2018, as amended and restated by the Amendment and Restatement Agreement, made between, among others, Care UK Health & Social Care Investments Limited as Parent, the Original Lenders (as defined therein) and the Security Agent, as amended and restated from time to time;

"Subsidiary Shares" means all shares owned by a Charging Company in an Obligor including those listed in Schedule 2 but excluding any Excluded Subsidiary Shares; and

"Supplemental Legal Charge" means a legal charge substantially in the form of Schedule 6, or any other form agreed to by the Security Agent and the Parent.

1.2 Construction

In this deed, unless a contrary intention appears, a reference to:

- (a) an **"agreement"** includes any legally binding arrangement, concession, contract, deed or franchise (in each case whether oral or written);
- (b) an **"amendment"** includes any amendment, supplement, variation, novation, modification, replacement or restatement and **"amend"**, **"amending"** and **"amended"** shall be construed accordingly;
- (c) **"assets"** includes present and future properties, revenues and rights of every description;
- (d) **"including"** means including without limitation and **"includes"** and **"included"** shall be construed accordingly;
- (e) **"losses"** includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and **"loss"** shall be construed accordingly;
- (f) a **"person"** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or any two or more of the foregoing;
- (g) 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;
- (h) unless the context otherwise requires or unless otherwise defined in this deed, words and expressions defined in the Intercreditor Agreement have the same meaning when used in this deed;
- (i) the terms of the documents under which the Secured Obligations arise and of any side letters between any Charging Company and any Secured Party relating to the Secured Obligations are incorporated in this deed to the extent required for any purported disposition of the Charged Property contained in this deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989;
- (j) section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Agent in relation to the trusts created by this deed or any other Secured Debt Document; and

- (k) the parties intend that this document shall take effect as a deed and this document is to take effect as a deed notwithstanding that the Security Agent has executed it under hand only.

1.3 Other References

- (a) In this deed, unless a contrary intention appears, a reference to:
- (i) any Obligor or any other person is, where relevant, deemed to be a reference to or to include, as appropriate, that person's successors in title, permitted assignees and transferees and in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Secured Debt Documents;
 - (ii) any Clause or Schedule is a reference to, respectively, a Clause of and Schedule to this deed and any reference to this deed includes its Schedules;
 - (iii) any Secured Debt Document or other agreement or instrument is to be construed as a reference to that agreement or instrument as amended or novated (excluding any amendment or novation made contrary to any provision of any Secured Debt Document);
 - (iv) a provision of law is a reference to that provision as amended or re-enacted.
- (b) The index to and the headings in this deed are inserted for convenience only and are to be ignored in construing this deed.
- (c) Words importing the plural shall include the singular and vice versa.
- (d) If there is a conflict between this deed and the Senior Facilities Agreement, then (to the extent permitted by law) the provisions of the Senior Facilities Agreement shall take priority over the provisions of this deed.

1.4 Permitted Transactions

- (a) The terms of this deed shall not operate or be construed so as to prohibit any transaction permitted by any Secured Debt Document.
- (b) For the avoidance of doubt, no term of this deed shall prohibit the creation of Security (including any fixed asset security) over any Charged Property where the creation of that Security is not prohibited by the terms of the Secured Debt Documents.

1.5 Existing Debenture

To the extent that any obligation of the Charging Companies under, or any provision of, the Existing Debenture is satisfied, any corresponding provision or obligation of the Charging Companies arising under any provision of this deed shall be deemed to be satisfied.

2. COVENANT TO PAY

Subject to any limits on its liability specifically recorded in the Secured Debt Documents, each Charging Company as primary obligor covenants with the Security Agent (for the benefit of itself and the other Secured Parties) that it will on demand pay the Secured Obligations when they fall due for payment in the manner provided for in the relevant Secured Debt Document.

3. CHARGING CLAUSE

3.1 Fixed Charges

Subject to Clause 3.6 (*Excluded Assets*) and Clause 3.7 (*Existing Debenture*), each Charging Company, as security for the payment and discharge of the Secured Obligations, charges in favour of the Security Agent (for the benefit of itself and the other Secured Parties) with full title guarantee, subject to the Existing Debenture, the following assets, both present and future, from time to time owned by it or in which it has an interest by way of first fixed charge:

- (a) all interests in the Premises, the buildings and fixtures (including trade fixtures) on, or forming part of, the Premises and the benefit of all warranties and covenants given in respect thereof and all licences to enter upon or use the Premises and the benefit of all other agreements relating to the use and/or occupation of the Premises (if any);
- (b) all the Subsidiary Shares and all corresponding Distribution Rights;
- (c) all monies standing to the credit of its Accounts and all rights related to the Accounts; and
- (d) if not effectively assigned by Clause 3.3 (*Security Assignment*), all its rights and interests in (and claims under) the Assigned Agreements.

3.2 Floating Charge

- (a) As further security for the payment of the Secured Obligations and subject to Clause 3.6 (*Excluded Assets*) and Clause 3.7 (*Existing Debenture*), each Charging Company charges with full title guarantee in favour of the Security Agent (for the benefit of itself and the other Secured Parties) by way of first floating charge all its present and future assets (excluding any Excluded Subsidiary Shares) not effectively charged by way of first fixed charge under Clause 3.1 (*Fixed Charges*) or assigned under Clause 3.3 (*Security Assignment*).
- (b) The floating charges created by this Clause 3.2 (*Floating Charge*) shall be deferred in point of priority to all fixed Security expressed to rank in priority to the floating charges validly and effectively created by a Charging Company under the Secured Debt Documents.
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to Clause 3.2(a) (*Floating Charge*) above and the Security Agent may appoint an Administrator of a Charging Company pursuant to that paragraph.

3.3 Security Assignment

- (a) On and from the date on which the Assigned Agreements are re-assigned to the relevant Charging Company under the Existing Debenture, as further security for the payment of the Secured Obligations and subject to Clause 3.6 (*Excluded Assets*) and Clause 3.7 (*Existing Debenture*), each Charging Company assigns absolutely with full title guarantee to the Security Agent all its rights, title and interest in the Assigned Agreements, provided that on payment or discharge in full of the Secured Obligations the Security Agent will at the request and cost of the relevant Charging Company re-assign the relevant rights, title and interest in the Assigned Agreements to that Charging Company (or as it shall direct).
- (b) Until the occurrence of a Declared Default, but subject to Clause 8.7 (*Notice of Security: Intra Group Loans*), the relevant Charging Company may continue to deal with the counterparties to the relevant Assigned Agreements in the ordinary course of business.

3.4 Conversion of Floating Charge

Subject to Clause 3.7 (*Existing Debenture*), if a Declared Default has occurred, the Security Agent may, by notice to any Charging Company, convert the floating charge created under this deed into a fixed charge as regards those assets which it specifies in the notice. Each relevant Charging Company shall promptly following request by the Security Agent execute a fixed charge or legal assignment over those assets in the form which the Security Agent requires, but on terms no more onerous to such

Charging Company than this deed and not so as to override any provision in this deed which provides that any asset is to be excluded from the fixed charges by virtue of any of the provisions of Clause 3.6 (*Excluded Assets*).

3.5 Automatic Conversion of Floating Charge

Subject to Clause 3.7 (*Existing Debenture*), if any Charging Company creates (or purports to create) any Security (except any Security which is not prohibited from being created by the Secured Debt Documents or which is created with the prior written consent of the Security Agent) on or over any Floating Charge Asset, or if any third party levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset, the floating charge created under this deed will automatically (without notice) and immediately be converted into a fixed charge over the relevant Floating Charge Asset.

3.6 Excluded Assets

- (a) Unless otherwise expressly agreed in writing between the relevant Charging Company and the Security Agent on or after the date of this deed, there shall be excluded from the Security created by Clauses 3.1 (*Fixed Charge*), 3.2 (*Floating Charge*) and 3.3 (*Security Assignment*) and from the operation of any further assurance provisions contained in the Secured Debt Documents:
- (i) any asset or undertaking situated outside the United Kingdom (save that any such asset or undertaking will, notwithstanding the provisions of this subparagraph (a)(i), be subject to the floating charge created by Clause 3.2 (*Floating Charge*));
 - (ii) any assets of or interests in any joint venture or similar arrangement, any minority interest or any person that is not a member of the Group (save that any such asset or interests will, notwithstanding the provisions of this subparagraph (a)(ii), be subject to the floating charge created by Clause 3.2 (*Floating Charge*));
 - (iii) any asset or undertaking which a Charging Company is at any time prohibited from creating Security on or over by reason of any contract, licence, lease, instrument or other arrangement with a third party (including any asset or undertaking which a Charging Company is precluded from creating Security on or over without the prior consent of a third party), excluding, for this purpose, any New Material Property;
 - (iv) any asset or undertaking subject to Security in favour of a third party (provided that such Security is not prohibited from being created by the Secured Debt Documents or is created with the prior written consent of the Security Agent) where such Security expressly prohibits the creation of Security in favour of the Security Agent, excluding, for this purpose, any New Material Property;
 - (v) the Beech Hurst and Hinton Grange properties (as defined in the Senior Facilities Agreement), provided that the relevant Charging Companies are continuing to take steps to dispose of the Beech Hurst and Hinton Grange properties in accordance with paragraph (h) of the definition of "Permitted Transaction" under the Senior Facilities Agreement; and
 - (vi) the Excluded Account and:
 - (A) any other client account solely containing amounts held on behalf of, or on trust for, clients of any member of the Group (including, but not limited to, refundable deposits); and

- (B) any other account solely containing amounts reserved to pay the costs of any claim, action or proceeding of, or instituted by, the Competition and Markets Authority,

and, in each such instance, this deed will charge all amounts which the relevant Charging Company may receive, or has received, in connection with that asset or undertaking.

- (b) Each Charging Company shall use commercially reasonable endeavours to ensure that instruments and agreements which it enters into after the date of this Deed do not contain restrictions which would cause them to be excluded from the charges pursuant to paragraph (a) above by virtue of the provisions of either paragraph (a)(ii) or (a)(iii) above, provided that such Charging Company shall be under no requirement to comply with this clause 3.6(b) if such compliance would interfere with the ability of the relevant Charging Company to conduct its operations and business in the ordinary course as permitted by the Secured Debt Documents.
- (c) For each instrument and agreement referred to in paragraphs (a)(ii) or (a)(iii) above and following the occurrence of a Declared Default, each relevant Charging Company undertakes to:
 - (i) on request from the Security Agent, apply for the relevant consent or waiver from such third party within fourteen (14) days of the date of such request; and
 - (ii) in respect of any instrument or agreement which provides that the relevant third party will not unreasonably withhold its consent to charging:
 - (A) to use all reasonable endeavours (for a reasonable amount of time) to obtain such consent as soon as possible; and
 - (B) to keep, if requested by the Security Agent, the Security Agent informed of the progress of its negotiations.
- (d) Forthwith upon receipt of the relevant waiver or consent referred to in (c) above, the relevant instrument or agreement shall stand charged to the Security Agent under Clause 3.1 (*Fixed Charges*). If required by the Security Agent, at any time following receipt of that waiver or consent, the relevant Charging Company will forthwith execute a valid fixed charge or legal assignment in such form as the Security Agent shall reasonably require but consistent with the terms of the charges created under this deed.

3.7 Existing Debenture

The parties acknowledge that the creation and ranking of security created pursuant to Clause 3.1 (*Fixed Charges*), Clause 3.2 (*Floating Charge*) and Clause 3.3 (*Security Assignment*) is subject to the Existing Debenture and the Intercreditor Agreement and that the application of proceeds pursuant to this deed and the Existing Debenture is provided for in the Intercreditor Agreement.

4. CONTINUING SECURITY

4.1 Continuing Security

This security is to be a continuing security notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or any other matter or thing unless and until discharged by the Security Agent.

4.2 Other Security

This security is to be in addition to and shall neither be merged in nor in any way exclude or prejudice or be affected by any other security or other right which the Security Agent and/or any other Secured Party may now or after the date of this deed hold for any of the Secured Obligations, and this security may be enforced against each Charging Company without first having recourse to any other rights of the Security Agent or any other Secured Party.

5. FURTHER ASSURANCE

5.1 General

Subject to the Agreed Security Principles, Clauses 3.6 (*Excluded Assets*), each Charging Company shall as soon as reasonably practicable (and at its own expense), upon the request of the Security Agent, enter into a Supplemental Legal Charge over any New Material Property and do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) in favour of the Security Agent or its nominee(s):

- (a) to perfect the Security created or intended to be created under or evidenced by this deed or for the exercise of any rights, powers and remedies of the Security Agent, any Receiver or the Secured Parties provided by or pursuant to this deed or by law; and/or
- (b) to facilitate the realisation of the Charged Property at any time after a Declared Default.

5.2 New Material Property

- (a) Subject to the Agreed Security Principles, each Charging Company shall as soon as reasonably practicable (and at its own expense) enter into a Supplemental Legal Charge over any New Material Property acquired by it on or after the date of this deed and do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):
 - (i) to perfect the Security created or intended to be created under or evidenced by this deed or for the exercise of any rights, powers and remedies of the Security Agent, any Receiver or the Secured Parties provided by or pursuant to this deed or by law; and/or
 - (ii) to facilitate the realisation of the Charged Property that is New Material Property at any time after a Declared Default.
- (b) Each Charging Company shall, as soon as practicable, deposit with the Security Agent (or as it shall reasonably direct) all deeds and documents of title relating to all New Material Property acquired by it on or after the date of this deed and, if those deeds and documents are with the Land Registry, to as soon as reasonably practicable deposit them with the Security Agent (or as it reasonably shall direct) upon their release.

5.3 Land Registry

- (a) In relation to real property charged by way of legal mortgage under this deed situated in England and Wales, each Charging Company hereby irrevocably consents to the Security Agent applying to the Chief Land Registrar for a restriction to be entered on the Proprietorship Register of the Register of Title of all that real property on the prescribed Land Registry form and in the following or substantially similar terms:

"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 [●] in favour of [●] referred to in the Charges Register or their conveyancer."

- (b) Subject to the terms of the Senior Facilities Agreement, the Lenders are under an obligation to make further advances to Obligors (which obligation is deemed to be incorporated into this deed) and this security has been made for securing those further advances. In relation to real property charged by way of legal mortgage under this deed situated in England and Wales, the Security Agent may apply to the Chief Land Registrar for a notice to be entered onto the Charges Register of the Register of Title of all that real property that there is an obligation to make further advances on the security of the registered charge.
- (c) In respect of any part of the Charged Property title which is registered at Land Registry, it is certified that the security created by this deed does not contravene any of the provisions of the articles of association of any Charging Company.

6. **NEGATIVE PLEDGE AND RESTRICTIONS ON DISPOSAL AND TRANSFER**

- (a) A Charging Company may not create or agree to create or permit to subsist any Security over all or any part of the Charged Property unless such security is not prohibited by the terms of the Secured Debt Documents.
- (b) A Charging Company may not sell or otherwise dispose of all or any part of the Charged Property except as not prohibited by the Secured Debt Documents or with the prior consent of the Security Agent.
- (c) Where Subsidiary Shares are held by a nominee, the Charging Company in which those Subsidiary Shares are held will not register a transfer of shares in the register of members of the company unless such transfer is (i) to a Charging Company or (ii) to a nominee of a Charging Company or (iii) made with the prior consent of the Security Agent.

7. **REPRESENTATIONS AND WARRANTIES**

7.1 **Matters Represented**

Each Charging Company, as at the date of this deed, represents and warrants to the Security Agent as set out in Clause 7.2 (*Subsidiary Shares*) on the date of this deed.

7.2 **Subsidiary Shares**

- (a) It is the legal and beneficial owner of the Subsidiary Shares identified against its name in Schedule 2 (save in relation to those Subsidiary Shares which are held by a nominee for it in which case it is the beneficial owner only of those Subsidiary Shares).
- (b) All of those Subsidiary Shares are fully paid.

8. **UNDERTAKINGS**

8.1 **Duration of Undertakings**

Each Charging Company undertakes to the Security Agent in the terms of this Clause 8 (*Undertakings*) from the date of this deed and for so long as any security constituted by this deed remains in force.

8.2 **Collection of Debts**

- (a) Each Charging Company will:
 - (i) promptly (and in any event within five Business Days) after any Account becoming charged pursuant to this deed, deliver to each bank with whom an Account is maintained a notice substantially in the form set out in Schedule 6 or such other form as the Security Agent may approve; and

- (ii) use reasonable endeavours for a period of 20 Business Days from the delivery of the notice referred to in (i) above to procure the prompt delivery to the Security Agent of a duly completed acknowledgement of such notice in the relevant form set out in Schedule 6 or in such other form as the Security Agent may approve.
- (b) After the occurrence of a Declared Default, no Charging Company may withdraw all or any monies from time to time standing to the credit of any Account except with the prior consent of the Security Agent.

8.3 Title Documents

Save to the extent already held in connection with the Existing Debenture and subject to the rights of any prior mortgagee, each Charging Company will:

- (a) as soon as reasonably practicable after the Premises become subject to Security pursuant to the terms of this deed, deposit with the Security Agent (or as it shall reasonably direct) all deeds and documents of title relating to all Premises and if those deeds and documents are with Land Registry, will as soon as reasonably practicable deposit them with the Security Agent (or as it reasonably shall direct) upon their release;
- (b) as soon as reasonably practicable after the Subsidiary Shares become subject to Security pursuant to the terms of this deed, deposit with the Security Agent (or as it shall reasonably direct) all stock and share certificates other documents of title relating to the Subsidiary Shares together with stock transfer forms executed in blank and left undated on the basis that the Security Agent shall be able to hold such documents of title and stock transfer forms until the Secured Obligations have been irrevocably and unconditionally discharged in full and shall be entitled, at any time, following the occurrence of a Declared Default to complete, under its power of attorney given by Clause 9 (*Attorney*) below, the stock transfer forms on behalf of the relevant Charging Company in favour of itself or such other person as it shall select;
- (c) following a Declared Default, promptly deposit with the Security Agent (or as it shall reasonably direct) all other documents of title relating to the Charged Property which the Security Agent from time to time reasonably requires.

8.4 Voting rights and distributions before enforcement

Until a Declared Default occurs, the relevant Charging Company shall be entitled to:

- (a) receive and retain all dividends, distributions and other amounts paid on or derived from any shares or stock comprised in its Subsidiary Shares; and
- (b) exercise or direct the exercise of the voting rights and other rights and powers attached to its Subsidiary Shares in any manner as it sees fit other than in a manner which:
 - (i) is in breach of any Finance Document or which may adversely affect the validity or enforceability of the security created under this deed or the value of such Subsidiary Shares; or
 - (ii) would cause the Security Agent or its nominee to incur any cost or expense or render itself subject to any liability for which it has not previously been indemnified to its satisfaction) or would otherwise prejudice the Security Agent.

8.5 Distributions after enforcement

Following a Declared Default, the Security Agent or any applicable Receiver may, at its discretion (in the name of the Charging Company or otherwise and without any further consent or authority from the Charging Company) but shall not be obliged, to receive and retain all dividends, distributions and other

moneys paid on the Subsidiary Shares and apply the same in accordance with Clause 12 (*Application of Moneys*).

8.6 **Voting rights after enforcement**

Following a Declared Default and subject to the Security Agent or any applicable Receiver giving prior notice that this Clause 8.6 applies:

- (a) the Security Agent or any applicable Receiver may at its discretion (in the name of the Charging Company or otherwise and without any further consent or authority from the Charging Company) but shall not be obliged to:
 - (i) transfer the Subsidiary Shares of the Charging Company on behalf of the Charging Company to such nominee as the Security Agent shall select; and
 - (ii) exercise any voting rights and any other rights and powers attached to any Subsidiary Shares in such manner as it considers fit as if it were the sole beneficial owner of the Subsidiary Shares (including all powers given to trustees under Part II of the Trustee Act 2000);
- (b) the Charging Company shall comply, or procure the compliance, with any directions of the Security Agent or any Receiver in respect of the exercise of any rights and powers exercisable in relation to such Subsidiary Shares and shall promptly execute and/or deliver to the Security Agent or any Receiver such forms of proxy as it or he requires with a view to enabling such person as it or he selects to exercise those rights; and
- (c) any derivative rights shall, if received by the Charging Company or its nominee, be held on trust for and forthwith paid or transferred to the Security Agent or the Receiver.

In the absence of prior notice from the Security Agent or any applicable Receiver to the Charging Company that this Clause 8.6 applies, the Charging Company may and shall continue to hold the Subsidiary Shares and exercise all voting rights and any other rights and powers in relation to the Charged Subsidiary Shares in accordance with Clause 8.4 (*Voting rights and distributions before enforcement*) above.

8.7 **Notice of Security: Intra-Group Loans**

Each Charging Company (the "**First Chargor**") hereby notifies each other Charging Company (the "**Second Chargor**") that in respect of the Intra-Group Loans between the First Chargor and the Second Chargor, all of the First Chargor's right, title and interest in and to the Intra-Group Loans has been assigned to the Security Agent as trustee for the Secured Parties and the Second Chargor hereby acknowledges receipt of such notice in each case, subject to Clause 3.1(d) (*Fixed Charge*).

8.8 **Retention of Documents**

The Security Agent may retain any document delivered to it under Clause 8.3 (*Title Documents*) or otherwise until the security created by this deed and the Existing Debenture is released and, if for any reason it ceases to hold any such document before that time, it may by notice to the relevant Charging Company require (acting reasonably) that the relevant document be redelivered to it and the relevant Charging Company shall as soon as reasonably practicable comply (or procure compliance) with that notice.

8.9 **People with Significant Control regime**

- (a) A Charging Company shall:

- (i) within the relevant timeframe, comply with any notice it receives pursuant to Part 21A of the Companies Act 2006 from any company incorporated in England and Wales whose shares constitute Subsidiary Shares (a "**Charged Company**"); and
 - (ii) promptly provide the Security Agent with a copy of that notice.
- (b) A Charging Company shall in respect of any Charged Company, provide either:
 - (i) a certificate of an authorised signatory of the Charging Company certifying that:
 - (A) it has complied within the relevant timeframe with any notice it has received pursuant to Part 21A of the Companies Act 2006 from that Charged Company; and
 - (B) no "warning notice" or "restrictions notice" (in each case as defined in Schedule 1B of the Companies Act 2006) has been issued in respect of those Subsidiary Shares,

together with a copy of the "PSC register" (within the meaning of section 790C(10) of the Companies Act 2006) of that Charged Company, which is certified by an authorised signatory of the Charging Company to be correct, complete and not amended or superseded as at the date of this deed; or
 - (ii) a certificate of an authorised signatory of the Charging Company certifying that such Charged Company is not required to comply with Part 21A of the Companies Act 2006.

8.10 **Power to Remedy**

If a Charging Company fails to comply with any covenant set out in Clauses 8.2 (*Title Documents*) to 8.9 (*People with Significant Control regime*) (inclusive) and that failure is not remedied to the satisfaction of the Security Agent within twenty (20) Business Days (acting reasonably and subject to Clause 9 (*Attorney*)), it will allow (and irrevocably authorises) the Security Agent or any person which the Security Agent nominates (each acting reasonably) to take any action on behalf of that Charging Company which is necessary to ensure that those covenants are complied with.

9. **ATTORNEY**

Each Charging Company, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any person nominated for the purpose by the Security Agent or any Receiver (in writing and signed by an officer of the Security Agent or Receiver) as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it ought to execute and do under the terms of this deed:

- (a) which such Charging Company has failed to do within twenty (20) Business Days of being notified of such failure in writing and being requested to comply; or
- (b) after the occurrence of a Declared Default,

and each Charging Company covenants with the Security Agent and each Receiver to ratify and confirm all such acts or things made, done or executed by that attorney.

10. **ENFORCEMENT AND POWERS OF THE SECURITY AGENT**

10.1 **Statutory Restrictions**

The restriction on the consolidation of mortgages and on power of sale imposed by sections 93 and 103 respectively of the Law of Property Act 1925 shall not apply to the security constituted by this deed.

10.2 **Statutory Powers**

The powers conferred on mortgagees, receivers or administrative receivers by the Law of Property Act 1925 and the Insolvency Act 1986 (as the case may be) shall apply to the security created by this deed, unless they are expressly or impliedly excluded. If there is ambiguity or conflict between the powers contained in those Acts and those contained in this deed, those contained in this deed shall prevail.

10.3 **Enforceability of Security**

- (a) For the purposes of all powers implied by the LPA or any other applicable statute, the Secured Obligations shall be deemed to have become due and payable upon the date of this deed.
- (b) The Security created by or pursuant to this Deed shall become immediately enforceable upon the occurrence of a Declared Default and the power of sale conferred by section 101 of the Law of Property Act 1925 and all other powers conferred on mortgagees and Receivers by law (as varied and extended by this Deed) shall be exercisable in relation to the Security created by this deed and the Security Agent may, without notice to the Charging Companies or prior authorisation from any court, in its absolute discretion, take possession, hold or dispose of any Charged Property at any time after the Security created by this deed has become enforceable.

10.4 **Fixtures**

After the occurrence of a Declared Default, the Security Agent may sever any fixtures from the property to which they are attached and sell them separately from that property.

10.5 **Appointment of Receiver or Administrator**

- (a) Subject to paragraph (d) below, at any time after a Declared Default has occurred, or if so requested by the relevant Charging Company, the Security Agent may by writing under hand signed by any officer or manager of the Security Agent:
 - (i) appoint one or more persons to be Receiver of any Charged Property of the relevant Charging Company and/or appoint two or more Receivers of separate parts of the Charged Property; or
 - (ii) when permitted by law, appoint one or more persons to be an Administrator of the relevant Charging Company pursuant to paragraph 14 of Schedule B1 of the Insolvency Act 1986; or
 - (iii) (subject to any requirement for a court order under the Insolvency Act 1986 or any other applicable insolvency law) remove any Receiver so appointed and, at its option, appoint another person(s) to be an additional or replacement Receiver.
- (b) If more than one person is appointed Receiver or Administrator of any assets, each Receiver or Administrator may act either jointly or severally unless the document appointing him states otherwise.
- (c) Section 109(1) of the Law of Property Act 1925 shall not apply to this deed.
- (d) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created by this deed.
- (e) The Security Agent shall be entitled to appoint a Receiver save to the extent prohibited by section 72A Insolvency Act 1986.

- (f) The powers of appointment of a Receiver under this Deed shall be in addition to all other statutory and other powers of appointment of the Security Agent under the LPA or otherwise.

10.6 Powers of Leasing

After the occurrence of a Declared Default, the Security Agent may lease, make agreements for leases at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it thinks fit, without the need to comply with any of the provisions of sections 99 and 100 of the Law of Property Act 1925.

10.7 Exercise of Powers

All or any of the powers conferred upon mortgagees by the Law of Property Act 1925 as varied or extended by this deed, and all or any of the rights and powers conferred by this deed on a Receiver (whether expressly or impliedly), may be exercised by the Security Agent without further notice to any Charging Company at any time after a Declared Default has occurred, irrespective of whether the Security Agent has taken possession or appointed a Receiver of the Charged Property.

10.8 Appropriation

- (a) In this deed, "**financial collateral**" and "**security financial collateral arrangement**" have the meaning given to those terms in the Financial Collateral Arrangements (No. 2) Regulations 2003 (No. 3226).
- (b) At any time after a Declared Default has occurred, and to the extent that any of the Charged Property constitutes financial collateral and this deed and the obligations of Charging Company hereunder constitute a security financial collateral arrangement, the Security Agent shall have the right to appropriate all or part of the financial collateral in or towards discharge of the Secured Obligations.
- (c) For the purpose of paragraph (b) above, the value of such financial collateral so appropriated shall be:
 - (i) in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and
 - (ii) in the case of Subsidiary Shares, the market price of such Subsidiary Shares determined by the Security Agent by reference to a public index or by such other process as the Security Agent may select, including independent valuation.

In each case, the Security Agent must attribute a value to the appropriated financial collateral in a commercially reasonable manner.

- (d) Where the Security Agent exercises its rights of appropriation and the value of the financial collateral appropriated differs from the amount of the Secured Obligations, as the case may be, either:
 - (i) the Security Agent must account to the relevant Charging Company for the amount by which the value of the appropriated financial collateral exceeds the Secured Obligations; or
 - (ii) the relevant Charging Companies will remain liable to the Secured Parties for any amount whereby the value of the appropriated financial collateral is less than the Secured Obligations.

10.9 Restrictions on Notices

- (a) The Security Agent shall not be entitled to give any notice referred to in paragraph 1 of the notice in the form of Schedule 6 unless and until a Declared Default has occurred or any of the circumstances described in Clause 3.4 (*Conversion of Floating Charge*) or Clause 3.5 (*Automatic Conversion of Floating Charge*) have arisen.
- (b) The Security Agent shall not be entitled to give any notice or instruction (as the case may be) referred to in paragraph 2 of each notice in the form of part 1 or part 2 of Schedule 6 until a Declared Default has occurred.

11. STATUS, POWERS, REMOVAL AND REMUNERATION OF RECEIVER

11.1 Receiver as Agent

Each Receiver shall be the agent of the relevant Charging Company which shall be solely responsible for his acts or defaults, and for his remuneration and expenses, and be liable on any agreements or engagements made or entered into by him.

11.2 Powers of Receiver

Each Receiver appointed under this deed shall have all the rights, powers, privileges and immunities conferred from time to time on an administrative receiver or other receivers duly appointed by the Law of Property Act 1925 and the Insolvency Act 1986 (each of which is deemed incorporated in this deed), so that the powers set out in Schedule 1 to the Insolvency Act 1986 shall extend to every Receiver, whether or not an administrative receiver. In addition, notwithstanding any winding-up or dissolution of the relevant Charging Company, each Receiver shall have power to:

- (a) develop, reconstruct, amalgamate or diversify any part of the business of the relevant Charging Company;
- (b) enter into or cancel any contracts on any terms or conditions;
- (c) incur any liability on any terms, whether secured or unsecured, and whether to rank for payment in priority to this security or not;
- (d) let or lease or concur in letting or leasing, and vary the terms of, determine, surrender leases or tenancies of, or grant options and licences over, or otherwise deal with, all or any of the Charged Property;
- (e) establish subsidiaries to acquire interests in any of the Charged Property and/or arrange for those subsidiaries to trade or cease to trade and acquire any of the Charged Property on any terms and conditions;
- (f) make and effect all repairs, renewals and improvements to any of the Charged Property and maintain, renew, take out or increase insurances;
- (g) exercise all voting and other rights attaching to the Subsidiary Shares and stocks, shares and other securities owned by the relevant Charging Company and comprised in the Charged Property;
- (h) redeem any prior Security on or relating to the Charged Property and settle and pass the accounts of the person entitled to that prior Security, so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Charging Company and the money so paid shall be deemed to be an expense properly incurred by the Receiver;

- (i) appoint and discharge officers and others for any of the purposes of this deed and/or to guard or protect the Charged Property upon terms as to remuneration or otherwise as he may think fit;
- (j) settle any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the relevant Charging Company or relating to any of the Charged Property;
- (k) implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on any real property comprised in the Charged Property;
- (l) purchase or acquire any land or any interest in or right over land;
- (m) to the extent permitted by law to manage and use the Charged Property and to exercise and do (or permit the relevant Charging Company or any nominee of it to exercise and do) all such rights and things as the Receiver would be capable of exercising or doing if he were the absolute beneficial owner of the Charged Property;
- (n) exercise on behalf of the relevant Charging Company all the powers conferred on a landlord or a tenant by any legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of any freehold or leasehold interest held by the relevant Charging Company or in which the Charging Company is otherwise interested; and
- (o) do all other acts and things (including signing and executing all documents and deeds) as the Receiver considers to be incidental or conducive to any of the matters or powers in this Clause 11.2 (*Powers of Receivers*), or otherwise incidental or conducive to the preservation, improvement or realisation of the Charged Property, and use the name of the relevant Charging Company for all such purposes,

and in each case may use the name of any Charging Company and exercise the relevant power in any manner which he may think fit.

11.3 **Removal of Receiver**

The Security Agent may by notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receivership) and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated, for whatever reason.

11.4 **Remuneration of Receiver**

The Security Agent may from time to time determine the remuneration of any Receiver and the maximum rate specified in section 109(6) of the LPA will not apply. The Security Agent may direct payment of such remuneration out of moneys accruing to the Receiver but the Charging Companies alone shall be liable for the payment of such remuneration and for all other costs, charges and expenses of the Receiver.

11.5 **Several Receivers**

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this deed (unless the document appointing such Receiver states otherwise).

12. **APPLICATION OF MONEYS**

12.1 **Order of Application**

All moneys received or recovered by the Security Agent or any Receiver pursuant to this deed shall (subject to the terms of the Existing Debenture and any claims of any person having prior rights thereto) be applied in the order and manner specified by the Intercreditor Agreement notwithstanding any purported appropriation by any Charging Company.

12.2 Section 109 Law of Property Act 1925

Sections 109(6) and (8) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this deed.

12.3 Suspense Account

- (a) Until the Secured Obligations are paid in full, the Security Agent may place and keep (for such time as it shall determine) any money received pursuant to this deed or on account of any Charging Company's liability in respect of the Secured Obligations in an interest bearing separate suspense account (to the credit of either the relevant Charging Company or the Security Agent as the Security Agent shall reasonably think fit) and the Receiver may retain the same for the period which he and the Security Agent (each acting reasonably) consider expedient without having any obligation to apply all or any part of that money in or towards discharge of the Secured Obligations.
- (b) If the security created by this deed is enforced at a time when no amount is due under the Secured Debt Documents but at the time when amounts may or will become due, the Security Agent (or Receiver) may pay the proceeds of recoveries into a suspense account.

13. PROTECTION OF THIRD PARTIES

13.1 No Obligation to Enquire

No purchaser from, or other person dealing with, the Security Agent or any Receiver (or their agents) shall be obliged or concerned to enquire whether:

- (a) the right of the Security Agent or any Receiver to exercise any of the powers conferred by this deed has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power; or
- (b) any of the Secured Obligations remains outstanding or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

13.2 Receipt Conclusive

The receipt of the Security Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve him of any obligation to see to the application of any moneys paid to or by the direction of the Security Agent or any Receiver.

14. PROTECTION OF SECURITY AGENT AND RECEIVER

14.1 No Liability

Neither the Security Agent nor any Receiver shall be liable in respect of any of the Charged Property or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers, unless caused by its or his gross negligence or wilful misconduct.

14.2 Possession of Charged Property

Without prejudice to Clause 14.1 (*No Liability*), if the Security Agent or the Receiver enters into possession of the Charged Property, it will not be liable to account as mortgagee in possession and may at any time at its discretion go out of such possession.

14.3 Liability of Charging Companies

- (a) Each Charging Company shall be deemed to be a principal debtor and the sole, original and independent obligor for the Secured Obligations and the Charged Property shall be deemed to be a principal security for the Secured Obligations.
- (b) The liability of each Charging Company under this deed and the charges contained in this deed shall not be impaired by any forbearance, neglect, indulgence, extension of time, release, surrender or loss of securities, dealing, variation or arrangement by the Security Agent or any other Secured Party, or by any other act, event or matter whatsoever whereby the liability of the relevant Charging Company (as a surety only) or the charges contained in this deed (as secondary or collateral charges only) would, but for this provision, have been discharged.
- (c) Clause 24 (*Guarantee and Indemnity*) of the Senior Facilities Agreement will apply in relation to this deed as if incorporated in this deed, but on the basis that the obligations of each Guarantor arising under those clauses will be deemed to be substituted by the obligations of each Charging Company under this deed.

14.4 Security Agent

The provisions set out in clause 33 (*Role of the Agent, the Arranger, the Issuing Bank and Others*) of the Senior Facilities Agreement and clause 19 (*The Security Agent*) of the Intercreditor Agreement shall govern the rights, duties and obligations of the Security Agent under this deed.

15. CUMULATIVE POWERS AND AVOIDANCE OF PAYMENTS

15.1 Cumulative Powers

The powers which this deed confers on the Security Agent, the other Secured Parties and any Receiver appointed under this deed are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person reasonably thinks appropriate. The Security Agent, the other Secured Parties or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the Security Agent, the other Secured Parties and the Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

15.2 Amounts Avoided

If any amount paid by a Charging Company in respect of the Secured Obligations is capable of being avoided or set aside on the liquidation or administration of the relevant Charging Company or otherwise, then for the purposes of this deed that amount shall not be considered to have been paid.

15.3 Discharge Conditional

Any settlement or discharge between a Charging Company and any Secured Party shall be conditional upon no security or payment to that Secured Party by that Charging Company or any other person being avoided, set aside, ordered to be refunded or reduced by virtue of any provision or enactment relating to insolvency and accordingly (but without limiting the other rights of that Secured Party under this deed) that Secured Party shall be entitled to recover from that Charging Company the value which that Secured Party has placed on that security or the amount of any such payment as if that settlement or discharge had not occurred.

16. **RULING OFF ACCOUNTS**

If the Security Agent or any other Secured Party receives notice of any subsequent Security or other interest affecting any of the Charged Property (except as permitted by the Secured Debt Documents) it may open a new account for the relevant Charging Company in its books. If it does not do so then (unless it gives express notice to the contrary to the Parent), as from the time it receives that notice, all payments made by the relevant Charging Company to it (in the absence of any express appropriation to the contrary) shall be treated as having been credited to a new account of the relevant Charging Company and not as having been applied in reduction of the Secured Obligations.

17. **DELEGATION**

(a) The Security Agent, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period any of the rights, powers or discretions vested in it under this deed.

(b) That delegation may be made upon any terms and conditions (including the power to sub delegate) and subject to any restrictions that the Security Agent, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties and it shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct, omission or default on the part of any such delegate or sub delegate.

18. **REDEMPTION OF PRIOR CHARGES**

The Security Agent may, at any time after a Declared Default has occurred, redeem any prior Security on or relating to any of the Charged Property or procure the transfer of that Security to itself, and may settle and pass the accounts of any person entitled to that prior Security. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on each Charging Company. Each Charging Company will on demand pay to the Security Agent all principal monies and interest and all losses incidental to any such redemption or transfer.

19. **NOTICES**

Any communication made under or in connection with this deed shall be made in accordance with clause 24 (*Notices*) of the Intercreditor Agreement.

20. **CHANGES TO PARTIES**

20.1 **Assignment by the Security Agent**

The Security Agent may at any time assign or otherwise transfer all or any part of its rights under this deed in accordance with the Secured Debt Documents.

20.2 **Changes to Parties**

Each Charging Company authorises and agrees to changes to parties under clause 30 (*Changes to the Lenders*) and clause 32 (*Changes to the Obligors*) of the Senior Facilities Agreement, Clause 20 (*Changes to the Parties*) of the Intercreditor Agreement, and authorises the Security Agent to execute on its behalf any document required to effect the necessary transfer of rights or obligations contemplated by those provisions.

21. **MISCELLANEOUS**

21.1 **Certificates Conclusive**

A certificate or determination of the Security Agent as to any amount payable under this deed will be conclusive and binding on each Charging Company, except in the case of manifest error.

21.2 **Invalidity of any Provision**

If any provision of this deed is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

21.3 **Counterparts**

This deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this deed.

21.4 **Failure to Execute**

Failure by one or more parties ("**Non-Signatories**") to execute this deed on the date hereof will not invalidate the provisions of this deed as between the other parties who do execute this deed. Such Non-Signatories may execute this deed on a subsequent date and will thereupon become bound by its provisions.

21.5 **Third Party Rights**

The Contracts (Rights of Third Parties) Act 1999 shall not apply to this deed and no rights or benefits expressly or impliedly conferred by this deed shall be enforceable under that Act against the parties to this deed by any other person.

21.6 **Covenant To Release**

- (a) Once all the Secured Obligations has been paid in full and none of the Security Agent nor any Secured Party has any actual or contingent liability to advance further monies to, or incur liability on behalf of, any Charging Company, the Security Agent and each Secured Party shall, at the request and cost of each Charging Company, take any action which may be necessary to release, re-assign or discharge (as appropriate) the Charged Property from the security constituted by this deed.
- (b) In connection with a Non-Distressed Disposal pursuant to clause 13 (*Non-Distressed Disposals*) of the Intercreditor Agreement, the Security Agent shall at the request and cost of the relevant Charging Company (and without any consent, sanction, authority or further confirmation from any other Secured Party) release, reassign or discharge (as appropriate) the relevant Charged Property from the security created by this deed.

22. **GOVERNING LAW AND JURISDICTION**

- (a) This deed is governed by and shall be construed in accordance with English law. Any non-contractual obligations arising out of or in connection with this deed are governed by English law.
- (b) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed or any non-contractual obligation arising out of or in connection with this deed) or the consequences of its nullity (a "**Dispute**").
- (c) The parties agree that the courts of England are the most appropriate and convenient courts to settle any Disputes between them and accordingly no party shall argue to the contrary.

IN WITNESS whereof this deed has been duly executed on the above date first above written.

SCHEDULE 1

CHARGING COMPANIES

Name	Registered Number
Care UK Limited	01668247
Care UK Community Partnerships Ltd	02644862
Community Health Services Limited	02147783
CHS Healthcare Limited	02797701

SCHEDULE 2

SUBSIDIARY SHARES

Charging Company	Subsidiary	Number and class of shares	Details of nominees (if any) holding legal title to shares
Care UK Limited	Care UK Community Partnerships Ltd (02644862)	40,000 ordinary B shares of £0.00005 each	N/A
Care UK Community Partnerships Ltd	CHS Healthcare Limited (02797701)	2,320,000 ordinary shares of £0.10 each	N/A
CHS Healthcare Limited	Community Health Services Limited (02147783)	1,619,193 ordinary shares of £1.00 each	N/A

SCHEDULE 3
DETAILS OF ACCOUNTS

Company	Account Bank	Account Name	Account number	Sort code
Care UK Limited	HSBC	Care UK Limited Care UK Limited Accounts Care UK Limited Deposit		
Care UK Community Partnerships Ltd	HSBC	HECA (COMM PSHIP LTD) Care UK Community Partnership Ltd - Expenditure Care UK Community Partnerships Ltd		
Community Health Services Limited	HSBC	CHS Ltd		

SCHEDULE 4**EXISTING MATERIAL PROPERTY**

Property Name	Town/County	Title No.
Catherine Court	High Wycombe, Buckinghamshire	BM219571
Cumberland	Mitcham, Surrey	TGL107078
Darlington Court	Rustington, West Sussex	WSX191918
Hollins Park	Macclesfield, Cheshire	CH333752
Jubilee House	Godalming, Surrey	SY668018
Ogilvy Court	Wembley, Middlesex	MX301833
Paisley Court	Liverpool, Merseyside	MS372982
Pinetum	Chester, Cheshire	CH410124
Station House	Crewe, Cheshire	CH353547
Kings Court	Barnard Castle, County Durham	DU143039
Colne View	Halstead, Essex	EX862549
Francis Court	Copthorne, West Sussex	WSX299593
Mil View	East Grinstead, West Sussex	WSX212225

SCHEDULE 5
FORM OF SUPPLEMENTAL LEGAL CHARGE

Supplemental Legal Charge

[Name of Charging Company]

and

[•]

as Security Agent

relating to a Debenture dated [•]

**Note: the application of recoveries under this supplemental legal charge is regulated by the terms of the
Intercreditor Agreement dated [•]**

[•] 20[•]

THIS DEED is made on [●] 20[●]

BETWEEN:

- (1) **[NAME OF CHARGING COMPANY]** (a company incorporated in England and Wales with registered number [●]) (the "**Charging Company**"); and
- (2) **[●]** as security agent for itself and the other Secured Parties (the "**Security Agent**").

RECITALS

- (A) This deed is supplemental to a debenture dated [●] 2019 (the "**Original Debenture**") between, amongst others, the Charging Company and the Security Agent.
- (B) The Charging Company owns or has acquired an interest in the freehold property specified in the schedule to this deed (the "**Property**") and is required to enter into this deed pursuant to Clause 5 (*Further Assurance*) of the Original Debenture.
- (C) This deed is supplemental to the Original Debenture and it is intended that it takes effect as a deed notwithstanding the fact that a party may only execute it under hand.

THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION AND CONSTRUCTION

- 1.1 Words and expressions defined in the Original Debenture have, unless expressly defined in this deed or the context requires otherwise, the same meaning in this deed.
- 1.2 The provisions of Clause 1.3 (*Other References*) of the Original Debenture apply to this deed as though they were set out in full in this deed except that references to the Original Debenture are to be construed as references to this deed.
- 1.3 The terms of the Secured Debt Documents and of any side letters between any party in relation to any Senior Finance Document are incorporated in this deed to the extent required for any purported disposition of the Property contained in this deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2. CHARGING CLAUSE

Subject to Clause 3.6 (*Excluded Assets*) of the Original Debenture, the Charging Company, as continuing security for the payment of the Secured Obligations, charges in favour of the Security Agent with full title guarantee and by way of first legal mortgage, the Property together with all buildings and fixtures (including trade fixtures) on the Property.

3. INCORPORATION

The provisions of Clauses 4 (*Continuing Security*) to Clause 22 (*Governing Law and Jurisdiction*) (both inclusive) of the Original Debenture shall be deemed to be incorporated into this deed with all necessary modifications as if they were set out in full in this deed and references in the Original Debenture to "a Charging Company" shall be deemed to be references to the Charging Company.

4. LAND REGISTRY

- (a) In relation to the real property charged by way of legal mortgage under this deed situated in England and Wales, the Charging Company hereby irrevocably consents to the Security Agent applying to the Chief Land Registrar for a restriction to be entered on the Proprietorship Register of the Register of Title of all that real property (including any unregistered properties

subject to compulsory first registration at the date of this deed) on the prescribed Land Registry form and in the following or substantially similar terms:

"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 [●] in favour of (2) [●] as Security Agent referred to in the charges register."

- (b) Subject to the terms of the Senior Facilities Agreement, the Lenders are under an obligation to make further advances to Obligors (which obligation is deemed to be incorporated into this deed) and this security has been made for securing those further advances. In relation to the real property charged by way of legal mortgage under this deed situated in England and Wales, the Security Agent may apply to the Chief Land Registrar for a notice to be entered onto the Charges Register of the Register of Title of all that real property (including any unregistered properties subject to compulsory first registration at the date of this deed) that there is an obligation to make further advances on the security of the registered charge.
- (c) In respect of any part of the Property title which is registered at Land Registry, it is certified that the security created by this deed does not contravene any of the provisions of the articles of association of the Charging Company.

5. CONTINUATION

- (a) The Original Debenture will remain in full force and effect as supplemented by this deed. From the date of this deed, the Original Debenture and this deed shall be read and construed together.
- (b) This security is to be in addition to and shall neither be merged in nor in any way exclude or prejudice or be affected by any other security or right which the Security Agent and/or any other Secured Party may now or after the date of this deed hold for any of the Secured Obligations and this security may be enforced against the Charging Company without first having recourse to any other rights of the Security Agent or any other Secured Party.
- (c) References in the Original Debenture to "this deed", "hereof", "hereunder" and expressions of similar import shall be deemed to be references to the Original Debenture as supplemented by this deed.

6. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

- (a) A Charging Company may not create or agree to create or permit to subsist any Security over all or any part of the Charged Property unless such security is not prohibited by the terms of the Secured Debt Documents.
- (b) A Charging Company may not sell or otherwise dispose of all or any part of the Charged Property except as not prohibited by the Secured Debt Documents or with the prior consent of the Security Agent.

7. ACKNOWLEDGEMENTS

This document is a Transaction Security Document for the purposes of the Senior Facilities Agreement.

8. INTERCREDITOR AGREEMENT

The application of recoveries under this deed is regulated by the terms of the Intercreditor Agreement.

9. GOVERNING LAW AND JURISDICTION

- (a) This deed (and any dispute, controversy, proceedings or claims of whatever nature arising out of or in any way relating to this deed or its formation) shall be governed by and construed in accordance with English law.
- (b) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed) (a "**Dispute**").
- (c) For the benefit of the Secured Parties only, the parties to this deed agree that the courts of England are the most appropriate and convenient courts to settle any Dispute and accordingly no party will argue to the contrary.

10. COUNTERPARTS

This deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the deed.

IN WITNESS whereof this deed has been duly executed on the above date first above written.

SCHEDULE 6

FORM OF NOTICE TO BANKS OPERATING ACCOUNTS

To: *[insert name and address of Account Bank]* (the "Account Bank")

Dated: [●]

Dear Sirs

Re: The [●] Group of Companies - Security over Bank Accounts

We notify you that *[insert name of Charging Company]* (the "**Charging Company**") and certain other companies identified in the schedule to this notice (together the "**Customers**") charged to *[insert name of Security Agent]* (the "**Security Agent**") for the benefit of itself and certain other banks and financial institutions all their right, title and interest in and to the monies from time to time standing to the credit of the accounts identified in the schedule to this notice and to any other accounts from time to time maintained with you by the Customers (the "**Charged Accounts**") and to all interest (if any) accruing on the Charged Accounts.

1. Following the Security Agent notifying you that its rights to enforce the security have arisen under certain documents to which we are a party, we irrevocably authorise and instruct you:
 - (a) to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Agent and to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect; and
 - (b) to disclose to the Security Agent any information relating to the Customers and the Charged Accounts which the Security Agent may from time to time request you to provide.
2. We also advise you that:
 - (a) by counter-signing this notice the Security Agent confirms that the Customers may make withdrawals from the Charged Accounts until such time as the Security Agent shall notify you (with a copy to the Charging Company) in writing that a Declared Default has occurred and that their permission is withdrawn.
 - (b) the provisions of this Notice may only be revoked or varied with the prior written consent of the Security Agent.
3. Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to the Charging Company) by way of your confirmation that:
 - (c) you agree to act in accordance with the provisions of this notice;
 - (d) you have not received notice that any Customer has assigned its rights to the monies standing to the credit of the Charged Accounts or otherwise granted any security or other interest over those monies in favour of any third party;
 - (e) you will not exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts, except for the netting of credit and debit balances pursuant to current account netting arrangements previously approved in writing by the Security Agent; and

- (f) you have not claimed or exercised, nor do you have outstanding any right to claim or exercise against the Charging Company, any right of set-off, counter-claim or other right relating to the Charged Accounts.

The provisions of this notice are governed by English law.

Schedule

Customer	Account Number	Sort Code
[•]	[•]	[•]

Yours faithfully,

.....
for and on behalf of
[Insert name of Charging Company]
as agent for and on behalf of
all of the Customers

Counter-signed by

.....
for and on behalf of
[Insert name of Security Agent]

[On acknowledgement copy]

To: *[Insert name and address of Security Agent]*

Copy to: *[Insert name of Charging Company]* (on behalf of all the Customers)

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs (a) to (d) above.

.....
for and on behalf of
[Insert name of Account Bank]

Dated: [•]

SCHEDULE [•]

The Property

Executed as a deed by)
)
[•])
)
acting by
in the presence of:

Signature of director

Signature of witness

Name of witness

Address of witness

Occupation of witness

Notice Details

Address:
Fax No.:
Attention:

Security Agent

Signed by)
)
[•])
)
acting by
in the presence of:

Signature of authorised signatory

Signature of witness

Name of witness

Address of witness

Occupation of witness

Notice Details

Address:
Fax:
Attention:

SIGNATORIES TO DEBENTURE

Charging Companies

Executed and delivered as a deed by)

MATTHEW ROSENBERG)

Name of Director)

as authorised signatory for and on behalf of)

CARE UK LIMITED)

Signature

in the presence of:

Signature of witness

Name of witness

Address of witness

Occupation of witness

IAN WARWICK

Moonfleet, Coppice Walk N20 3BZ

Director

Notice Details

Address: Connaught House, 850 The Crescent,
Colchester Business Park,
Colchester,
Essex CO4 9QB

Fax No.: 0333-999-2570
Attention: Company Secretary

Executed and delivered as a deed by

MATTHEW ROSENBERG

Name of Director

as authorised signatory for and on behalf of

CARE UK COMMUNITY PARTNERSHIPS LTD

Signature

in the presence of:

Signature of witness

Name of witness

Address of witness

Occupation of witness

IAN WARWICK

Moonfleet, Coppice Walk NE0 3BZ

Director

Notice Details

Address: Connaught House, 850 The Crescent,
Colchester Business Park,
Colchester,
Essex CO4 9QB

Fax No.: 0333-999-2570
Attention: Company Secretary

Executed and delivered as a deed by)

MATTHEW ROSENBERG
Name of Director)

as authorised signatory for and on behalf of)

COMMUNITY HEALTH SERVICES LIMITED)

Signature

in the presence of:

Signature of witness

Name of witness IAN WARWICK

Address of witness Moonfleet, Coppice Walk N20 8BZ

Occupation of witness Director

Notice Details

Address: Connaught House, 850 The Crescent,
Colchester Business Park,
Colchester,
Essex CO4 9QB

Fax No.: 0333-999-2570

Attention: Company Secretary

CHS HEALTHCARE LIMITED

□ □ □ □ □

IAN WARWICK

Moonfleet Gypice Walk N20 8BZ
Director

Director

Fax No.: 0333-999-2570
Attention: Company Secretary

Security Agent

Executed and delivered as a deed by

CHARLOTTE DAVIDSON

as authorised signatory for and on behalf of

**HSBC CORPORATE TRUSTEE COMPANY
(UK) LIMITED**

Signature

in the presence of:

Signature of witness

Name of witness: ANN J. ANDERSON

Address of witness CONCH HOUSE, PARK STREET, CHARLBURY

Occupation of witness OXFORDSHIRE OX7 3PT

Notice Details

Address: HSBC Corporate Trustee Company (UK) Limited
Issuer Services
Level 22, 8 Canada Square
London E14 5HQ

Fax: +44 207 991 4350

Attention: Issuer Services, Transaction Management