



Registration of a Charge

Company Name: **BARCHESTER HEALTHCARE HOMES LIMITED**

Company Number: **02849519**



Received for filing in Electronic Format on the: **20/12/2022**

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Details of Charge

Date of creation: **19/12/2022**

Charge code: **0284 9519 0085**

Persons entitled: **THE ROYAL BANK OF SCOTLAND PLC**

Brief description: **NOT APPLICABLE**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **AMY CROWE**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2849519

Charge code: 0284 9519 0085

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th December 2022 and created by BARCHESTER HEALTHCARE HOMES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th December 2022 .

Given at Companies House, Cardiff on 23rd December 2022

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated 19 December 2022

BARCHESTER HEALTHCARE HOMES LIMITED

and

THE ROYAL BANK OF SCOTLAND PLC

SUPPLEMENTAL SHARE SECURITY AGREEMENT

SECURITIES - (LAKESIDE RESIDENTIAL HOME LIMITED)

Security Interests (Jersey) Law 2012

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This agreement is made on 19 December 2022

BETWEEN:

- 1 **BARCHESTER HEALTHCARE HOMES LIMITED**, a company incorporated under the laws of England and Wales with registered number 02849519 and having its registered office at 3rd Floor The Aspect, Finsbury Square, London, United Kingdom, EC2A 1AS (the **Grantor**); and
- 2 **THE ROYAL BANK OF SCOTLAND PLC**, acting through its office at 250 Bishopsgate, London, EC2M 4AA as lender (the **Secured Party**).

RECITALS:

- A The Grantor and the Secured Party have entered into the Facility Agreement.
- B It is a condition of the Facility Agreement that the Grantor enters into this agreement for the purposes of creating a security interest under the Law over, amongst other things, the shares which the Grantor holds in the Company.
- C The Grantor and the Secured Party have also entered into the Existing Security Agreements pursuant to the terms of the Facility Agreement

It is agreed as follows:

1 Definitions and interpretation

- 1.1 In this agreement, words and expressions shall, except where the context otherwise requires, have the meanings given to them in the Facility Agreement.
- 1.2 In this agreement, the following words and expressions shall, except where the context otherwise requires, have the following meanings:

Additional Securities means any shares of the Company issued to, transferred to or otherwise acquired by the Grantor, after the date hereof (including, without limitation, the Related Rights).

Beneficiary means each Finance Party and any Receiver or Delegate.

Collateral means the Securities and the Proceeds.

Company means Lakeside Residential Home Limited, a company incorporated under the laws of Jersey with registered number 79699 and having its registered office at 13 Castle Street, St Helier, Jersey, JE1 1ES.

Declared Default means that an Event of Default has occurred and as a result the Secured Party has taken steps to exercise any of its rights under Clause 25.23 (*Acceleration*) of the Facility Agreement.

Default means an Event of Default or any event or circumstance which would, with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing, be an Event of Default.

Encumbrance means any mortgage, charge, pledge, lien, assignment, hypothecation, title retention, security interest, trust arrangement or any other agreement or arrangement which has the effect of creating security.

Events of Default means any of the events or circumstances specified in clause 11.

Existing Security Agreements means:

- (a) the Original Security Agreement;
- (b) the Jersey law governed supplemental security interest agreement between the Grantor and the Secured Party dated 1 August 2016 in respect of the Collateral secured under this agreement;
- (c) the Jersey law governed supplemental security interest agreement between the Grantor and the Secured Party dated 20 December 2019 in respect of the Collateral secured under this agreement; and
- (d) the Jersey law governed supplemental security interest agreement between the Grantor and the Secured Party dated 28 May 2022 in respect of the Collateral secured under this agreement.

Facility Agreement means the facility agreement dated 5 October 2013 and made between, amongst others, the Grantor, Barchester Healthcare Limited and the Secured Party and as acceded to by Lakeside Residential Home (2002) Limited and the Company pursuant to an accession deed dated 1 November 2013 and made between, amongst others, Barchester Healthcare Limited, Lakeside Residential Home (2002) Limited, the Company and the Secured Party, as amended and restated by an amendment and restatement agreement dated 1 August 2016 between, amongst others, Barchester Healthcare Limited, the Grantor, Lakeside Residential Home (2002) Limited, the Company and the Secured Party, as further amended pursuant to the terms of an amendment letter dated 13 August 2019 and an amendment and restatement agreement dated 20 December 2019, as further amended pursuant to an amendment letter dated 28 May 2020 and as further amended on 17 December 2020 and as further amended and restated pursuant to the terms of an amendment and restatement agreement dated on or about the date hereof.

Finance Document shall have the meaning given to it in the Facility Agreement.

Finance Party shall have the meaning given to it in the Facility Agreement.

Law means the Security Interests (Jersey) Law 2012.

Order means the Security Interests (Registration and Miscellaneous Provisions) (Jersey) Order 2013.

Original Securities means the shares specified in Schedule 1 (including, without limitation, the Related Rights).

Original Security Agreement means the Jersey law governed security interest agreement dated 1 November 2013 between the Grantor and the Secured Party in respect of the Collateral secured under this agreement;

Permitted Security shall have the meaning given to it in the Facility Agreement.

Proceeds means any proceeds (as defined in the Law) derived directly or indirectly from a dealing with the Securities or from a dealing with the proceeds of the Securities.

Related Rights means all rights of the Grantor relating to the Securities including, without limitation, any rights to receive additional securities, assets or rights or any offers in respect thereof (whether by way of bonus issue, option rights, exchange, substitution, conversion or otherwise) or to receive monies (whether by way of redemption, return of capital, distribution, income or otherwise).

Secured Obligations means all present and future obligations and liabilities (whether actual or contingent, in respect of current advances or further advances and whether incurred jointly or severally or in any other capacity whatsoever and whether incurred originally by the Grantor or by some other person) of the Grantor to all or any of the Beneficiaries under each or any of the Finance Documents, together with:

- (a) all costs, charges and expenses incurred by any Beneficiary in connection with the protection, preservation or enforcement of its rights under any Finance Document; and
- (b) all moneys, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the facilities provided under any Finance Document or the obligations and liabilities imposed under the Finance Documents.

Securities means the Original Securities and any Additional Securities.

Security Period means the period commencing on the date hereof and ending on the date upon which the Secured Party has determined that all of the Secured Obligations have been irrevocably paid, performed and/or discharged in full.

1.3 In the interpretation of this agreement, the following provisions apply save where the context requires otherwise:

- (a) for the purposes of the Law, the Secured Party shall be the **secured party**, the Grantor shall be the **grantor**, the Collateral (including, without limitation, any after-acquired property) shall be the **collateral**, the Events of Default shall be the **events of default** and this agreement shall be the **security agreement**;
- (b) **advances, control, further advances, investment security** and **proceeds** shall have the meanings given to them in the Law;

- (c) **prescribed unit trust** shall have the meaning given to it in Article 2(2) of the Order;
- (d) references to **constitutional documents** of an entity shall include, without limitation, the certificate(s) of incorporation or establishment, the memorandum and articles of association and, where the entity is the trustee of a trust, the trust instrument constituting the relevant trust;
- (e) any reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- (f) where references are made to the Secured Party holding title to or having possession or control of the Collateral or any part thereof, such references shall include any person holding title to or having possession or control of the Collateral or any part thereof for or on behalf of the Secured Party, whether as trustee or in some other capacity;
- (g) references to the Secured Party include its successors, assignees and transferees. References to the Grantor include its successors, permitted assignees and permitted transferees, if any;
- (h) words and expressions not otherwise defined in this agreement shall be construed in accordance with the Law;
- (i) except where the context otherwise requires, words denoting the singular include the plural and vice versa, words denoting a gender include every gender and references to persons include bodies corporate and unincorporate;
- (j) references to recitals, clauses and Schedules are, unless the context otherwise requires, references to recitals and clauses hereof and Schedules hereto and references to sub-clauses are, unless otherwise stated, references to the sub-clause of the clause in which the reference appears;
- (k) the recitals and the Schedules form part of this agreement and shall have the same force and effect as if they were expressly set out in the body of this agreement and any reference to this agreement shall include the recitals and the Schedules;
- (l) any reference to this agreement or to any agreement or document referred to in this agreement shall be construed as a reference to such agreement or document as amended, varied, modified, supplemented, restated, novated or replaced from time to time;
- (m) any reference to any statute or statutory provision shall, unless the context otherwise requires, be construed as a reference to such statute or statutory provision as the same may have been or may be amended, modified, extended, consolidated, re-enacted or replaced from time to time;

- (n) any reference to an Event of Default being "**continuing**" means that it has not been remedied or waived; and
 - (o) clause headings and the index are inserted for convenience only and shall not affect the construction of this agreement.
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- 1.4 For the purpose of providing consent if required under the Existing Security Agreements, the Secured Party confirms that it consents to the creation and perfection of the security interests over the Collateral under this agreement.
- 1.5 The security interest created under this agreement shall exist concurrently (if applicable) with the security interests created under the Existing Security Agreements.
- 1.6 The Secured Party agrees that, the entry into this agreement by the Grantor and the creation of the security interests by the Grantor pursuant to this agreement are Permitted Security.
- 1.7 This agreement is a Finance Document (as defined in the Facility Agreement).

2 Covenant to pay

The Grantor hereby covenants with the Secured Party that it will, on the Secured Party's written demand, pay and/or discharge the Secured Obligations when due, in the manner and at the time provided for in the Finance Documents.

3 Creation and perfection of security interest

- 3.1 As a continuing security for the payment, performance and discharge of the Secured Obligations, so that the Secured Party shall have a security interest in the Collateral pursuant to the Law, the Grantor hereby grants a security interest in the Collateral to the Secured Party and agrees that the Secured Party shall have control (as defined in the Law) of the Securities.
- 3.2 The parties hereby acknowledge that the Grantor has delivered the certificates of title in respect of the Original Securities and an undated and signed duly completed stock transfer form to the Secured Party, pursuant to the terms of the Original Security Agreement and the Secured Party hereby confirms that it (or someone on its behalf) has possession of the same.
- 3.3 The Grantor hereby undertakes to the Secured Party that:
 - (a) contemporaneously with the execution of this agreement, it shall deliver to the Secured Party a certified copy of the register of members of the Company noting the Secured Party's security interest created pursuant to this agreement; and
 - (b) subject to the terms of the Existing Security Agreements and immediately upon written request from the Secured Party following the occurrence of an Event of Default which is continuing:

- (i) it shall assign, transfer and/or otherwise make over to the Secured Party title to the Securities; and
- (ii) it shall execute and deliver to the Company a notice materially in the form set out in Schedule 2 in respect of the Securities and shall procure that the Company executes and delivers to the Secured Party an acknowledgement materially in the form set out in Schedule 2.

3.4 The Grantor covenants and undertakes to the Secured Party, so that the same shall be continuing covenants and undertakings throughout the Security Period, that

- (a) if Additional Securities are issued to, transferred to or otherwise acquired by the Grantor, it shall:
 - (i) as soon as reasonably practicable, and in any event within 5 Business Days of request and to the extent that it has not already done so under the Existing Security Agreements deliver to the Secured Party, or to its order, certificates of title in respect of such Additional Securities, together with an undated and signed duly completed stock transfer form in a form acceptable to the Secured Party (or, in each case, procure such delivery); and
 - (ii) as soon as reasonably practicable, and in any event within 5 Business Days of request and to the extent that it has not already done so under the Existing Security Agreements, deliver to the Secured Party a certified copy of the register of members of the Company noting the Secured Party's security interest over such Additional Securities created pursuant to this agreement.

3.5 The Secured Party acknowledges that any delivery made by the Grantor pursuant to clause 3.4(a) above will satisfy the Grantor's obligations to deliver the certificates of title and an undated and signed duly completed stock transfer form pursuant to clause 3.4(a) of the Existing Security Agreements in respect of the Additional Securities (as such term is defined in the Existing Security Agreements).

3.6 The Grantor acknowledges that value has been given in respect of this agreement.

3.7 It is acknowledged and agreed by the parties that the parties have not entered into (i) any agreement referred to in Article 18(1) of the Law which defers or delays any attachment of the security interest constituted by or pursuant to this agreement or (ii) any agreement to the contrary referred to in Article 19(2) of the Law.

4 Registration of security interest

4.1 The Secured Party may in its sole discretion (but shall not be obliged to) at any time:

- (a) register the security interest created by this agreement under the Law by registration of a financing statement for any period determined by the Secured Party; and

- (b) register a financing change statement under the Law in respect of any change to the details in the financing statement (including, without limitation, any amendment, renewal or discharge of the financing statement) for any period determined by the Secured Party.

4.2 The Grantor shall, promptly following written request from the Secured Party, deliver to the Secured Party such information and/or certified copy documents as the Secured Party may reasonably require for the purposes of the registration contemplated by this clause including, without limitation, a certified copy of the constitutional documents of the Grantor.

4.3 The Grantor hereby consents to the registration contemplated by this clause and waives its right to receive a copy of any verification statement in respect of such registration.

5 Release of security interest

Upon the expiry of the Security Period, the Secured Party shall, at the request and expense of the Grantor:

- (a) return to the Grantor the certificates of title to the Securities, together with such undated and signed duly completed stock transfer forms as are in its possession at such time, and/or assign, transfer or otherwise make over to the Grantor any title to the Securities held by the Secured Party, without recourse or warranty;
- (b) enter into a security release agreement with the Grantor (in such form as the Secured Party shall determine) providing for the security interest created by this agreement to be extinguished and for the discharge of the Grantor's obligations under this agreement and the revocation of the power of attorney created hereunder; and
- (c) register a financing change statement for the discharge of any financing statement registered in respect of the security interest created by this agreement.

6 Representations and warranties

6.1 The Grantor hereby represents and warrants to the Secured Party that:

- (a) the Grantor has rights in the Collateral subject only to the rights granted in favour of the Secured Party by this agreement and the Existing Security Agreements;
- (b) the certificates of title representing the Securities delivered to the Secured Party pursuant to the Original Security Agreement are the only certificates of title in respect thereof;
- (c) the Grantor has not granted any power of attorney in respect of the exercise of any rights or powers in connection with the Securities, other than to the Secured Party; and
- (d) it is not the trustee of a trust (which includes any prescribed unit trust) granting a security interest over the trust property under this agreement.

6.2 The representations and warranties in clause 6.1 are given on the date hereof.

7 Covenants

7.1 The Grantor covenants and undertakes to the Secured Party that:

- (a) it shall not, save with the prior written consent of the Secured Party:
 - (i) in any way, except as set out in this agreement or the Existing Security Agreements, sell or otherwise dispose of, create or permit to subsist any Encumbrance over the Collateral or any part thereof or agree to any extent to sell, dispose of or encumber the Collateral or any part thereof;
 - (ii) create or permit to subsist any registration of a security interest in respect of the Collateral under the Law (other than registration of the security interests created by this agreement or the Existing Security Agreements in favour of the Secured Party); or
 - (iii) negotiate, settle or waive any claim for loss, damage or other compensation affecting the Collateral or any part thereof; and
- (b) any Collateral not held by the Secured Party shall be held to the Secured Party's order or otherwise as the Secured Party may require from time to time;
- (c) it shall notify the Secured Party of any Event of Default (and the steps, if any, being taken to remedy it) immediately upon becoming aware of its occurrence;
- (d) it shall notify the Secured Party of any registration of a security interest in respect of the Collateral under the Law (other than registration of the security interest created by this agreement in favour of the Secured Party or the Existing Security Agreements) or other interest of a third party in the Collateral immediately upon becoming aware of its occurrence;
- (e) if the Grantor proposes to change its name, the Grantor shall give to the Secured Party (for the purpose of registering a financing change statement if applicable):
 - (i) notice in writing that it proposes to change its name (along with the correct spelling of its proposed new name) at least five business days before the change takes effect; and
 - (ii) a certified copy of the constitutional documents stating the Grantor's new name as soon as possible after they are issued.

7.2 The covenants and undertakings given in clause 7.1 are continuing covenants and undertakings throughout the Security Period.

8 Contractual recognition of bail-in

8.1 Notwithstanding any other term of any of the Finance Documents or any other agreement, arrangement or understanding between the parties, each party acknowledges and accepts that any liability of any party to any other party under or in connection with the

Finance Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):
 - (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
 - (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
 - (iii) a cancellation of any such liability; and
- (b) a variation of any term of any of the Finance Documents to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

8.2 In this clause 8, the following words and expressions shall have the following meanings:

Article 55 BRRD means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

Bail-In Action means the exercise of any Write-down and Conversion Powers.

Bail-In Legislation means:

- (a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time; and
- (b) in relation to any state other than such an EEA Member Country or (to the extent that the United Kingdom is not such an EEA Member Country) the United Kingdom, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation.

EEA Member Country means any member state of the European Union, Iceland, Liechtenstein and Norway.

EU Bail-In Legislation Schedule means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

Resolution Authority means any body which has authority to exercise any Write-down and Conversion Powers.

UK Bail-In Legislation means (to the extent that the United Kingdom is not an EEA Member Country which has implemented, or implements, Article 55 BRRD) Part I of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

Write-down and Conversion Powers means:

- (a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule;
- (b) in relation to any other applicable Bail-In Legislation:
 - (i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and
 - (ii) any similar or analogous powers under that Bail-In Legislation; and
- (c) in relation to any UK Bail-In Legislation:
 - (i) any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers; and
 - (ii) any similar or analogous powers under that UK Bail-In Legislation.

9 Authority

- 9.1 Notwithstanding the provisions of clause 3, until the occurrence of a Declared Default, the Grantor (or its agent) is hereby authorised by the Secured Party to exercise any voting rights in respect of the Securities (and, where title to the Securities has been assigned, transferred or otherwise made over to the Secured Party pursuant to clause 3.1, the Secured Party shall, at the request, cost and expense of the Grantor, execute such forms of proxy as are reasonably required to allow the Grantor to exercise such rights) provided that the Grantor shall not, save with the prior written consent of the Secured Party, take or permit any action pursuant to such authorisation which would be reasonably likely to prejudice the value of the Securities or otherwise prejudice any security interest constituted by this agreement.

9.2 At any time following the occurrence of a Declared Default:

- (a) the Grantor shall not be authorised to, and shall not, give instructions or exercise any rights in respect of the Collateral; and
- (b) where the assignment, transfer or making over of title to the Securities has not been effected pursuant to clause 3.3(a), the Grantor shall forthwith exercise all voting or other rights in respect thereof in such manner as the Secured Party shall direct from time to time and, in the absence of such directions, only with the object of enhancing or preserving the Collateral and its value.

9.3 The Secured Party may, in such manner as it shall determine, exercise, or cause to be exercised, or refrain from exercising, any voting or other rights which it may have pursuant to this clause 9 and it shall not be liable for any such exercise or failure to exercise such rights.

9.4 For the purposes of Article 24 of the Law, except as expressly provided in this agreement, the Secured Party does not authorise the Grantor or any other person to deal with the Securities and any such dealing is prohibited.

10 Dividends

10.1 Prior to the occurrence of a Declared Default:

- (a) all dividends or other income or distributions arising in respect of the Collateral (in this clause, **dividends**) shall be receivable by the Grantor, which may retain such dividends for its own benefit, and such dividends shall be released from the security created hereunder; and
- (b) the Secured Party shall, to the extent that dividends are received by it, account to the Grantor for such dividends after deducting its costs and expenses for doing so.

10.2 Following the occurrence of a Declared Default:

- (a) all dividends shall be receivable by the Secured Party, which shall apply the same against the Secured Obligations; and
- (b) the Grantor shall, to the extent that dividends are received by it, account to the Secured Party for such dividends and, pending delivery, shall hold such dividends on trust for the Secured Party.

10.3 The provisions of clause 10.2 are without prejudice to the right of the Secured Party to credit monies received, recovered or realised to a separate suspense account pursuant to clause 19.

11 Events of Default

There shall be an Event of Default if an **Event of Default** as defined in the Facility Agreement occurs, as if each such **Event of Default** were set out in full herein.

12 Enforcement by the Secured Party

12.1 The power of enforcement in respect of the security interest created by this agreement shall become exercisable when:

- (a) a Declared Default has occurred and is continuing;
- (b) a Default (as defined in the Facility Agreement) under Clause 25.6 (*Insolvency*) or Clause 25.7 (*Insolvency Proceedings*) of the Facility Agreement has occurred (which shall constitute an Event of Default for the purposes of the Law); or
- (c) the Secured Party in good faith considers that any of the Collateral may be in danger of being seized or sold pursuant to any form of legal process; or
- (d) if the Grantor, in contravention of any Finance Document, resolves to take or takes any step to charge or otherwise encumber, create a trust over, or dispose of any of the Collateral and the Secured Party in good faith considers that enforcement is desirable in order to protect the priority of its security; and
- (e) the Secured Party has served on the Grantor written notice specifying the Event of Default.

12.2 The Secured Party may exercise the power of enforcement in respect of the security interest created by this agreement by doing any one or more of the following (to the extent that they are not in conflict) in relation to the Collateral:

- (a) appropriating the Collateral;
- (b) selling the Collateral;
- (c) taking any of the following ancillary actions:
 - (i) taking control or possession of the Collateral;
 - (ii) exercising any rights of the Grantor in relation to the Collateral;
 - (iii) instructing any person who has an obligation in relation to the Collateral to carry out the obligation for the benefit of the Secured Party;
- (d) applying any other remedy that this agreement provides for as a remedy that is exercisable pursuant to the power of enforcement, to the extent that such remedy is not in conflict with the Law.

12.3 Subject to Part 7 of the Law:

- (a) the power of enforcement may be exercised as determined by the Secured Party in its absolute discretion;
- (b) the power of enforcement may be exercised by the Secured Party in respect of all or any part of the Collateral; and

- (c) the exercise or non-exercise of the power of enforcement by the Secured Party shall not constitute a waiver of any rights or remedies, and all rights and remedies of the Secured Party are reserved and may be exercised without notice.

12.4 Subject to Article 44(3) and 44(4) of the Law, not less than 14 days before appropriating or selling the Collateral, the Secured Party shall give written notice to the following persons (if any):

- (a) any person who, 21 days before the appropriation or sale, has a registered security interest in the Collateral; and
- (b) any person other than the Grantor who has an interest in the Collateral and has, not less than 21 days before the appropriation or sale, given the Secured Party notice of that interest,

and where no person is entitled to receive such notice, the Secured Party may appropriate or sell the Collateral immediately.

12.5 The Grantor acknowledges and agrees that no notice of appropriation or sale of the Collateral needs to be given by the Secured Party to the Grantor under Article 44 of the Law.

12.6 The Secured Party shall apply the proceeds of sale of the Collateral (or the value of any Collateral which has been appropriated) in the following order:

- (a) in payment of the Secured Party's reasonable costs incurred in, and incidental to, exercise of the power of enforcement;
- (b) in or towards payment and discharge of the Secured Obligations; and
- (c) in payment of the amount of any resulting surplus to the Grantor (or any other person entitled to receive it under Article 49 of the Law) or into the Royal Court of Jersey.

12.7 Within 14 days after any appropriation or sale of the Collateral by the Secured Party, the Secured Party shall give a written statement of account to the Grantor and any other person entitled to receive it under Article 48 of the Law.

12.8 Save with the prior written consent of the Secured Party, the Grantor shall not be entitled to reinstate this agreement (as defined in Article 54 of the Law) during the Security Period.

12.9 To the extent permitted by the laws of Jersey:

- (a) the Secured Party shall have no duty to preserve or enhance the Collateral or its value; and
- (b) the Secured Party shall have no liability for any loss arising out of (i) the exercise or non-exercise of the power of enforcement or any other rights under this agreement, or (ii) the taking of any other action in respect of the Collateral as is

permitted by this agreement, whether before or after the power of enforcement becomes exercisable.

13 Further assurance and power of attorney

13.1 The Grantor shall, at any time and from time to time, upon the written request of the Secured Party promptly do any and all such acts and things and execute and deliver all such instruments and any documents (including, without limitation, any replacement or supplemental security agreements) as the Secured Party may reasonably require for creating, attaching, perfecting, protecting, maintaining or enforcing its security or rights under this agreement or the Law.

13.2 In the event that the Grantor fails to comply with any of its obligations under this agreement, within 5 Business Days of being notified by the Secured Party of such failure and being requested to comply with and in accordance with Article 5(2)(a) of the Powers of Attorney (Jersey) Law, 1995 (the **Powers of Attorney Law**), the Grantor hereby irrevocably appoints the Secured Party as the Grantor's attorney (with full power of substitution in accordance with Article 8 of the Powers of Attorney Law) with authority in the name of and on behalf of the Grantor to sign, execute, seal, deliver, acknowledge, file, register and perfect any and all assurances, documents, instruments, agreements, certificates and consents whatsoever and to do any and all such acts and things in relation to any matters dealt with in this agreement and/or which the Secured Party may deem necessary or desirable for creating, perfecting, maintaining or enforcing the security contemplated hereunder, giving full effect to this agreement or for securing, protecting or exercising the rights of the Secured Party hereunder or under the Law, including without limitation:

- (a) completing, dating, executing and/or delivering any stock transfer forms and/or notices in respect of the Collateral;
- (b) exercising any voting or other rights in respect of the Collateral; and
- (c) taking any action which the Grantor is required to take pursuant to this agreement.

13.3 The Grantor hereby covenants with the Secured Party to ratify and confirm any lawful exercise or purported exercise of the power of attorney referred to in this clause except in the case of gross negligence or wilful misconduct.

14 Security continuing and independent

14.1 The security created pursuant to this agreement shall take effect as a continuing security for the payment or performance of all or any part of the Secured Obligations and shall be independent of and in addition to and it shall not be prejudiced or be affected by and shall not affect or prejudice any other security now or hereafter held by the Secured Party in respect of the payment or performance of all or any part of the Secured Obligations.

14.2 The security, and the obligations and liabilities, created pursuant to this agreement shall not be in any way discharged, impaired or otherwise affected by:

- (a) any partial or intermediate payment or performance of the Secured Obligations;
- (b) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Secured Party may now or hereafter have from or against any person in respect of any obligations of the Grantor under the Finance Documents or any other document or any other person;
- (c) any act or omission by the Secured Party in taking up, creating, attaching, perfecting or enforcing any security, indemnity or guarantee from or against the Grantor or any other person;
- (d) any defect in, termination, amendment, variation, novation or supplement of or to any of the Finance Documents or to any document pursuant to which obligations are due by the Grantor or any other person to the Secured Party;
- (e) any grant of time, indulgence, waiver or concession given to the Grantor or any other person;
- (f) any of the insolvency, bankruptcy, liquidation, administration, winding-up, incapacity, limitation, disability, the discharge by operation of law, and any change in the constitution, name and style of any party to any of the Finance Documents or any other person;
- (g) any release, invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of the Grantor or any other person in respect of any of the Finance Documents or any other document;
- (h) any claim or enforcement of payment from any of the other parties to the Finance Documents or any other person; or
- (i) any act or omission which would have discharged or affected the liability of the Grantor or by anything done or omitted by any person which but for this provision might operate to exonerate or discharge the Grantor or otherwise reduce or extinguish its liability under this agreement.

14.3 The Secured Party is not obliged, before exercising any of the rights, powers or remedies it may have pursuant to this agreement or by law, to make any demand of, or take action or file any claim or proof in respect of, any person other than the Grantor or to enforce any other security in respect of the Finance Documents.

14.4 If the Collateral or any part thereof is released from the security interest created hereunder in reliance upon a payment or other performance or discharge which is subsequently avoided or set aside for any reason whatsoever (including, without limitation, in connection with the insolvency or bankruptcy of the Grantor), the obligations and liabilities of the Grantor under this agreement shall continue as if such release had not occurred.

14.5 The Grantor irrevocably waives and abandons any and all rights under the laws of Jersey:

- (a) whether by virtue of the droit de division or otherwise, to require that any liability under the Finance Documents be divided or apportioned with any other person or reduced in any manner whatsoever; and
- (b) whether by virtue of the droit de discussion or otherwise, to require that recourse be had to the assets of any other person before any claim is enforced against the Grantor under the Finance Documents.

15 Remedies and waiver

- 15.1 No failure by the Secured Party to exercise, nor any delay by the Secured Party in exercising, any right or remedy hereunder shall operate as a waiver hereof nor shall any single or partial exercise prevent any further or other exercise thereof or the exercise of any other right or remedy.
- 15.2 The rights and remedies under or pursuant to this agreement, the security interests created hereunder, and any rights or other remedies provided by law (including the Law as it applies to the security created hereunder) are cumulative and not mutually exclusive and any of such rights and remedies may be, but need not be, exercised at the Secured Party's discretion.

16 Fees, costs and expenses

- 16.1 The Grantor agrees to promptly reimburse the Secured Party on demand for all fees (including legal fees and security registration fees), costs and expenses reasonably incurred by the Secured Party and/or its nominees in connection with or relating to the negotiation, preparation and/or execution of this agreement, the creation, attachment, perfection, preservation and/or enforcement of any of the Secured Party's rights under this agreement, the Secured Party's compliance with any demand for registration of a financing change statement served by the Grantor on the Secured Party under Article 75 of the Law, or the exercise or purported exercise of any of the Secured Party's powers arising pursuant to this agreement.
- 16.2 All such fees, costs and expenses shall be reimbursed by the Grantor with interest accrued thereon in accordance with the provisions of clause 11 of the Facility Agreement.

17 Indemnity

The Grantor shall indemnify and keep indemnified the Secured Party and/or its nominees and agents on demand against each and every loss, action, claim, expense, cost and/or liability which may be incurred by the Secured Party and/or its nominees and agents in connection with or relating to the creation, attachment, perfection, preservation and/or enforcement of any of the Secured Party's rights under this agreement, the exercise or purported exercise of any of the Secured Party's powers pursuant to this agreement (including pursuant to the power of attorney herein), or any breach by the Grantor of its obligations hereunder (including, without limitation, in connection with any information provided by or on behalf of the Grantor to the Secured Party or its representatives for the purposes of enabling the Secured Party or its representatives to register a financing statement or financing change statement being seriously misleading), in each case save

where such loss, action, claim, expense, cost or liability arises as the result of the gross negligence or wilful misconduct of the Secured Party.

18 Set-off

The Secured Party may, at any time, before as well as after the occurrence of an Event of Default, set off any obligation of or due by the Secured Party to the Grantor (including any contingent or unmatured obligation and in respect of any bank account of the Grantor held with the Secured Party) or any part thereof against the Secured Obligations or any part thereof. If the obligations to be set off are in different currencies, the Secured Party may convert all obligations into the same currency applying the then prevailing spot rate of exchange of the Secured Party (as conclusively determined by the Secured Party).

19 Suspense account

Monies received, recovered or realised by the Secured Party under this agreement may, at the discretion of the Secured Party, be credited to a separate or suspense account for so long as the Secured Party may think fit without any intermediate obligation on the part of the Secured Party to apply the same in or towards payment, performance or discharge of the Secured Obligations.

20 Illegality

If at any time one or more of the provisions of this agreement becomes invalid, illegal or unenforceable in any respect, that provision shall be severed from the remainder and the validity, legality and enforceability of the remaining provisions of this agreement shall not be affected or impaired in any way.

21 Certificate of Secured Party

Any certificate submitted by the Secured Party to the Grantor as to (a) the amount of the Secured Obligations or any part of them or (b) the amount of its reasonable costs and expenses incurred in enforcing this agreement (or any rights hereunder) for the purposes of Articles 48 or 54 of the Law, shall, in the absence of manifest error, be conclusive and binding on the Grantor.

22 Amalgamation and consolidation

The rights and benefits of the Secured Party under this agreement shall remain valid and binding for all purposes notwithstanding any change, amalgamation, consolidation or otherwise which may be made in the constitution of the Secured Party and shall be available to such entity as shall carry on the business of the Secured Party for the time being.

23 Conversion of currency

All monies received or held by the Secured Party subject to this agreement may at any time, before as well as after the occurrence of an Event of Default, be converted into such other currency as the Secured Party considers necessary or desirable to satisfy the Secured Obligations in that other currency at the then prevailing spot rate of exchange of

the Secured Party (as conclusively determined by the Secured Party) for purchasing that other currency with the original currency.

24 Amendment and waiver

No variation, amendment or waiver of this agreement shall be valid unless in writing and signed by or on behalf of the parties hereto.

25 Assignment

25.1 The Secured Party may grant a participation in or make an assignment or transfer or otherwise dispose of, the whole or any part of its rights and benefits under this agreement in accordance with the terms of the Facility Agreement. For the purpose of any such participation, assignment, transfer or disposal, the Secured Party may disclose information about the Grantor and the financial condition of the Grantor as may have been made available to the Secured Party by the Grantor or which is otherwise publicly available.

25.2 The Grantor shall not assign or transfer all or any part of its rights, benefits and/or obligations under this agreement.

26 Liability of Grantor

Where the Grantor consists of more than one person, the liability of each such person shall be joint and several and every agreement, undertaking or covenant contained in this agreement shall be construed accordingly.

27 Notices

27.1 All notices with respect to this agreement shall be delivered by hand, sent by first class post to the address of the addressee as set out in this agreement or to such other address as the addressee may from time to time have notified for the purpose of this clause or to any other **proper address** as defined in the Order, sent by facsimile transmission (**fax**) to the following numbers or sent by electronic transmission (**email**) to the following addresses:

(a) in the case of the Grantor, fax number [REDACTED] / email address [REDACTED]; and

(b) in the case of the Secured Party, email address [REDACTED].

27.2 Such notices shall be deemed to have been received:

(a) if sent by first class prepaid post, two days (being days on which commercial banks are open for full banking business in Jersey) after posting;

(b) if delivered by hand, on the day of delivery;

(c) if sent by fax, at the time of transmission provided that the sender shall receive a successful transmission report; and

- (d) if sent by email, at the time of transmission provided that the sender shall receive a successful delivery receipt.

27.3 The Grantor irrevocably appoints the Company as process agent in Jersey to accept service of notices pursuant to this agreement on its behalf, such appointment to take effect from the date of this agreement.

27.4 If any person appointed as agent for service is unable for any reason to act as agent for service of process, the Grantor must immediately (and in any event within five days of such event taking place) appoint another agent on terms acceptable to the Secured Party. Failing this, the Secured Party may appoint another agent for this purpose.

28 Counterparts

This agreement may be executed in any number of counterparts each of which shall be an original but which shall together constitute one and the same instrument.

29 Governing law and jurisdiction

29.1 This agreement shall be governed by and construed in accordance with the laws of Jersey and the parties hereby irrevocably agree for the exclusive benefit of the Secured Party that the courts of Jersey are to have jurisdiction to settle any disputes which arise out of or in connection with this agreement and that accordingly any suit, action or proceeding arising out of or in connection with this agreement (in this clause referred to as **Proceedings**) may be brought in such court.

29.2 Nothing contained in this clause shall limit the right of the Secured Party to take Proceedings against the Grantor in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdiction preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

29.3 The Grantor irrevocably waives (and irrevocably agrees not to raise) any objection which it may have now or hereafter to the taking of any Proceedings in any such court as referred to in this clause and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceedings brought in any such court as is referred to in this clause shall be conclusive and binding upon the Grantor and may be enforced in the court of any other jurisdiction.

This agreement has been duly executed by the Grantor as a deed and signed by the Secured Party and it has been delivered and shall take effect on the date set out at the beginning of this agreement.

SCHEDULE 1

The Original Securities

3 ordinary shares of £1 each in the Company (being the entire issued share capital of the Company).

SCHEDULE 2

Notice and acknowledgement - title security

Notice

To: LAKESIDE RESIDENTIAL HOME LIMITED (the Company)

13 Castle Street
St Helier
Jersey JE1 1ES

From: BARCHESTER HEALTHCARE HOMES LIMITED (the Grantor)

3rd Floor The Aspect
Finsbury Square
London
United Kingdom
EC2A 1AS

And: THE ROYAL BANK OF SCOTLAND PLC as lender (the Secured Party)

250 Bishopsgate
London
EC2M 4AA

Date:

We hereby give you notice that, pursuant to a security interest agreement dated _____ made between the Grantor and the Secured Party (the **Security Interest Agreement**), the Grantor has granted to the Secured Party a security interest in respect of, among other things, [●] ordinary shares of [£1.00] each in the Company (being the entire issued share capital of the Company) currently registered in the name of the Grantor (including, without limitation, all rights of the Grantor relating to such securities) (the **Securities**). Under the Security Interest Agreement, the Grantor has also agreed to assign, transfer and/or otherwise make over to the Secured Party title to the Securities.

We enclose the originals of (i) a dated and signed duly completed stock transfer form in respect of the transfer of title to the Securities to [the Secured Party] [name of Secured Party's nominee] and (ii) certificates of title in respect of the Securities.

We hereby instruct you to:

- 1 enter the name of [the Secured Party] [name of Secured Party's nominee] in the register of members of the Company as the holder of the Securities; and
- 2 issue a certificate of title to reflect such entry and deliver the same to the Secured Party at the address set out below.

This notice may not be varied or revoked without the Secured Party's prior written consent.

This notice may be executed in any number of counterparts and by each party on a separate counterpart each of which counterparts when so executed and delivered shall be an original but all such counterparts shall together constitute one and the same instrument.

Please sign and forward to the Secured Party at the above address the enclosed form of acknowledgement (for the attention of [name]).

This notice shall be governed by and construed in accordance with the laws of Jersey.

Signed for and on behalf of BARCHESTER HEALTHCARE HOMES LIMITED

Signature

Print name

Title

Signed for and on behalf of THE ROYAL BANK OF SCOTLAND PLC

Signature

Print name

Title

Acknowledgement

To: BARCHESTER HEALTHCARE HOMES LIMITED (the Grantor)

3rd Floor The Aspect
Finsbury Square
London
United Kingdom
EC2A 1AS

And: THE ROYAL BANK OF SCOTLAND PLC as lender (the Secured Party)

250 Bishopsgate
London
EC2M 4AA

From: LAKESIDE RESIDENTIAL HOME LIMITED (the Company)

13 Castle Street
St Helier
Jersey JE1 1ES

Date:

We hereby acknowledge receipt of a notice dated [date] (the **Notice**) from the Grantor and the Secured Party relating to the creation of a security interest in respect of the Securities. Terms defined in the Notice shall have the same meaning where used herein.

We confirm that:

- 1 we have not, as at the date hereof, received notice of any other security interest or encumbrance over any of the Securities (other than pursuant to (i) a Jersey law governed security interest agreement between the Grantor and the Secured Party dated 1 November 2013, (ii) a Jersey law governed supplemental security interest agreement between the Grantor and the Secured Party dated 1 August 2016, (iii) a Jersey law governed supplemental security interest agreement between the Grantor and the Secured Party dated 20 December 2019 and (iv) a Jersey law governed supplemental security interest agreement between the Grantor and the Secured Party dated 28 May 2022) and we hereby undertake to notify the Secured Party of any such notice received in the future;
- 2 for such time as such security interest continues, the Secured Party acts as secured party only and will not, save as required by law, be held liable by, or under any obligation to, the Company in respect of the Securities;
- 3 the names of the persons identified as the transferees of the Securities in the Notice have been entered in the register of members as the holders of the Securities and we enclose originals of the certificates of title reflecting such holding; and

- 4 for the purpose of the giving of notice to us, without prejudice to any other form of notice, we agree that a facsimile sent to [number] attention [•] and that an email sent to [address] shall, in each case, be sufficient notice.

This acknowledgement shall be governed by and construed in accordance with the laws of Jersey.

Signed for and on behalf of LAKESIDE RESIDENTIAL HOME LIMITED

Signature

Print name

Title

Signatories

Grantor

Executed as a Deed by **BARCHESTER
HEALTHCARE HOMES LIMITED**

(pursuant to a resolution of its Board
of Directors) acting by:

)

)

)

in the presence of:

)

Director

Signature of witness:

Name of witness:

Address of witness:

LAURA EVANS
12 Finsbury Square
London EC2A 1AS.

Occupation of witness:

SOLICITOR.

Secured Party

Signed for and on behalf of **THE ROYAL BANK OF SCOTLAND PLC**

Signature

Print name

Title

Signatories

Grantor

**Executed as a deed by BARCHESTER
HEALTHCARE HOMES LIMITED**

(pursuant to a resolution of its Board of
Directors) acting by:

)

)

)

in the presence of:

)

Director

Signature of witness:

Name of witness:

Address of witness:

Occupation of witness:

Secured Party

Signed for and on behalf of THE ROYAL BANK OF SCOTLAND PLC



Signature

oliver Mccollum

Print name

Associate Director

Title