



Registration of a Charge

Company Name: **BARCHESTER HEALTHCARE HOMES LIMITED**

Company Number: **02849519**



Received for filing in Electronic Format on the: **15/05/2023**

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Details of Charge

Date of creation: **03/05/2023**

Charge code: **0284 9519 0086**

Persons entitled: **AEDIFICA UK LIMITED**

Brief description: **EDINGLEY LODGE CARE HOME, STATION ROAD, EDINGLEY, NG22 8BX.
REGISTERED AT HM LAND REGISTRY UNDER TITLE NUMBER: NT438935**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **OLIVER ELLINGTON**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2849519

Charge code: 0284 9519 0086

The Registrar of Companies for England and Wales hereby certifies that a charge dated 3rd May 2023 and created by BARCHESTER HEALTHCARE HOMES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th May 2023 .

Given at Companies House, Cardiff on 16th May 2023

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**



DATE: 3 May 2023

LEGAL MORTGAGE OVER LAND

Between

BARCHESTER HEALTHCARE HOMES LIMITED
(as Chargor)

and

AEDIFICA UK LIMITED
(as Chargee)

This Deed is subject to the terms of the Deed of Priority

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THIS DEED is dated **3 May 2023** 2023

BETWEEN:

- (1) **BARCHESTER HEALTHCARE HOMES LIMITED**, registered in England and Wales with company number 02849519, whose registered office is situated at 3rd Floor The Aspect, Finsbury Square, London, United Kingdom, EC2A 1AS (the “**Chargor**”); and
- (2) **AEDIFICA UK LIMITED** registered in England and Wales with company number 12351073, whose registered office is situated at 8 Sackville Street, London, United Kingdom W1S 3DG as lender (the “**Chargee**”).

WHEREAS:

- (A) The Board of Directors of the Chargor is satisfied that the giving of the security contained or provided for in this Deed is in the interests of the Chargor and has passed a resolution to that effect.

NOW IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

Definitions

1.1 In this Deed:

“**Authorisation**”: means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

“**Business Day**”: means a day (other than a Saturday or Sunday) on which banks are open for general business in London.

“**Charged Property**”: means all the assets of the Chargor which from time to time are the subject of any security created or expressed to be created in favour of the Chargee by or pursuant to this Deed.

Deed of Priority means the deed of priority dated on or around the date of this Deed and made between (1) the Chargee (2) The Royal Bank of Scotland Public Limited Company and (3) the Chargor as may be amended, restated, modified or supplemented from time to time.

“**Delegate**”: means any person appointed by the Chargee or any Receiver pursuant to clauses 12.2 to 12.4 (*Delegation*) and any person appointed as attorney of the Chargee and/or any Receiver or Delegate.

“**Environment**”: means humans, animals, plants and all other living organisms including the ecological systems of which they form part and all or any of the following media:

- (a) air (including, without limitation, air within buildings and air within other natural or man-made structures, whether above or below ground);
- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, without limitation, surface and sub-surface soil and land under water).

“**Environmental Claim**”: means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

“**Environmental Law**”: means any applicable law or regulation which relates to:

- (a) the pollution or protection of the Environment;
- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any emission or substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste.

“Environmental Permits”: means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of the Chargor conducted on or from the properties owned or used by it.

“Expenses”: means all costs (including legal fees), charges, expenses and damages sustained or incurred by the Chargee or any Receiver or Delegate at any time in connection with the Charged Property or the Secured Liabilities or in taking, holding or perfecting this Deed or in protecting, preserving, defending or enforcing the security constituted by this Deed or in exercising any rights, powers or remedies provided by or pursuant to this Deed (including any right or power to make payments on behalf of the Chargor under the terms of this Deed) or by law in each case on a full indemnity basis.

“Fixtures”: means all fixtures and fittings (including trade and tenant’s fixtures and fittings) and fixed plant and machinery from time to time in or on any Mortgaged Property.

“Insurances”: means all of the contracts and policies of insurance or assurance (including all cover notes and slips) effected or maintained from time to time in respect of any Mortgaged Property, Premises and/or Fixtures, together with all moneys, benefits and advantages that may become payable or accrue under them or under any substituted policy.

“Lease”: means a lease between Quercus Nursing Homes 2001 (A) Limited and Quercus Nursing Homes 2001 (B) Limited as landlord and Majestic Number Two Limited as tenant dated 16 October 2007 relating to the property known as Edingley Lodge Care Home, Station Road, Edingley NG22 8BX which is registered with title number NT438935;

“Liability Period”: means the period beginning on the date of this Deed and ending on the date on which the Chargee is satisfied, acting in good faith, that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

“LPA”: means the Law of Property Act 1925.

“Mortgaged Property”: means all estates or interests in the freehold, commonhold or leasehold property specified in schedule 1 (*Real Property*) the subject of the security constituted by this Deed and references to any **“Mortgaged Property”** shall include references to the whole or any part or parts of it.

“Planning Acts”: means all legislation from time to time regulating the development, use, safety and control of property including, without limitation, the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991 and the Planning and Compulsory Purchase Act 2004 and any other instrument, plan, regulation, permission or direction made or issued under any such legislation.

“Premises”: means all buildings and erections from time to time situated on or forming part of any Mortgaged Property.

“Receiver”: means a receiver or receiver and manager of the whole or any part or parts of the Charged Property.

“Secured Liabilities”: means all present and future indebtedness, moneys, obligations and liabilities of the Chargor to the Chargee, in whatever currency denominated, whether actual or contingent, whether owed jointly or severally or as principal or as surety or in some other capacity and whether or not the Chargee was an original party to the relevant transaction and in whatever name or style.

“Security”: means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“Tax”: means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

“VAT”: means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

Construction

1.2 Any reference in this Deed to:

- 1.2.1 the **“Chargee”**, the **“Chargor”** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- 1.2.2 **“assets”** includes present and future properties, revenues and rights of every description;
- 1.2.3 **“indebtedness”** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- 1.2.4 a **“person”** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- 1.2.5 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; and
- 1.2.6 a provision of law is a reference to that provision as amended or re-enacted.

1.3 Clause and schedule headings are for ease of reference only.

1.4 Any reference in this Deed to a mortgage, charge or assignment of any asset shall be construed so as to include:

- 1.4.1 all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- 1.4.2 the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that asset and all other rights, benefits, claims, contracts, warranties, remedies, security or indemnities in respect of that asset; and
- 1.4.3 the proceeds of sale of any part of that asset and any other moneys paid or payable in respect of or in connection with that asset.

- 1.5 Any reference in this Deed to “**this Deed**” shall be deemed to be a reference to this Deed as a whole and not limited to the particular clause, schedule or provision in which the relevant reference appears and to this Deed as amended, novated, assigned, supplemented, extended, substituted or restated from time to time and any reference in this Deed to a “**clause**” or a “**schedule**” is, unless otherwise provided, a reference to a clause or a schedule of this Deed.
- 1.6 Unless the context otherwise requires, words denoting the singular number only shall include the plural and vice versa.
- 1.7 Where any provision of this Deed is stated to include one or more things, that shall be by way of example or for the avoidance of doubt only and shall not limit the generality of that provision.
- 1.8 It is intended that this document shall take effect as and be a deed of the Chargor notwithstanding the fact that the Chargee may not execute this document as a deed.
- 1.9 Any change in the constitution of the Chargee or its absorption of or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person shall not in any way prejudice or affect its rights under this Deed.

Third Party Rights

- 1.10 Nothing in this Deed is intended to confer on any person any right to enforce or enjoy the benefit of any provision of this Deed which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

Deed of Priority

- 1.11 This Deed is subject to the terms of the Deed of Priority. In the event of a discrepancy between this Deed and the Deed of Priority, the terms of the Deed of Priority shall prevail.

2. GRANT OF SECURITY

Fixed Charges

- 2.1 The Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Chargee by way of a first legal mortgage all of its right, title and interest in and to:
- 2.1.1 the freehold, commonhold and leasehold property specified in schedule 1 (*Real Property*); and
- 2.1.2 all Premises and Fixtures now or from time to time in or on that property.
- 2.2 The Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Chargee by way of first fixed charge all of its right, title and interest in and to the following assets, both present and future:
- 2.2.1 all estates or interests in the freehold, commonhold or leasehold property specified in schedule 1 (*Real Property*) and all Premises and Fixtures in or on that property (to the extent that such property, Premises and Fixtures are not effectively mortgaged under clause 2.1 above);
- 2.2.2 all contracts, guarantees, appointments, warranties and other documents to which it is a party or in its favour or of which it has the benefit relating to any letting, development, sale, purchase or the operation of any Mortgaged Property or Premises and all licences held by it to enter upon or use land in respect of or in connection with any Mortgaged Property or Premises and/or to carry on the business carried on upon

that land and all agreements relating to that land to which it is a party or otherwise entitled;

- 2.2.3 where any Mortgaged Property is leasehold property, any right or interest arising by virtue of any enfranchising legislation (including, but not limited to, the Leasehold Reform Act 1967 and the Leasehold Reform Housing and Urban Development Act 1993 but excluding part II of the Landlord and Tenant Act 1954) which confers upon a tenant of property whether individually or collectively with other tenants of that or other properties the right to acquire a new lease of that property or to acquire, or require the acquisition by a nominee of, the freehold or any intermediate reversionary interest in that property;
- 2.2.4 all amounts owing to it by way of rent, licence fee, service charge, dilapidations, ground rent and/or rent charge in respect of any Mortgaged Property or Premises; and
- 2.2.5 all Insurances, including all claims, the proceeds of all claims and all returns of premium in connection with Insurances.

3. PERFECTION OF SECURITY

Registration at HM Land Registry

- 3.1 The Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any of its Mortgaged Property registered at HM Land Registry:

“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 Aedifica UK Limited referred to in the charges register or their conveyancer. (Standard Form P)”.

- 3.2 If the title to any of the Mortgaged Property is not registered at HM Land Registry, the Chargor shall ensure that no person (other than itself) shall be registered under the Land Registration Act 2002 as the proprietor of all or any part of that Mortgaged Property without the prior consent in writing of the Chargee.
- 3.3 Whether or not the title to any of the Mortgaged Property is registered at HM Land Registry, in the event that any caution against first registration or any notice (whether agreed or unilateral) is registered against the Chargor's title to any Mortgaged Property, the Chargor shall immediately provide the Chargee with full particulars of the circumstances relating to such registration or notice and, if such caution or notice shall have been registered in order to protect a purported interest the creation of which is not permitted under this Deed, the Chargor shall immediately and at its own expense take such steps as the Chargee may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

Further Advances

- 3.4 The Chargee covenants with the Chargor that it shall perform its obligations to make advances under any agreement to which it and the Chargor is party (including any obligation to make available further advances).

Acquisition of New Land

- 3.5 In relation to any freehold, commonhold or leasehold property which is acquired by or on behalf of the Chargor after the date of this Deed and which is neighbouring on or in the vicinity of, and is to be used for the amenity of, any Mortgaged Property:

- 3.5.1 if the title to any such property is registered at HM Land Registry, the Chargor shall immediately apply to be registered as the proprietor of the registered estate acquired (or procure that such application is made on its behalf) and (for the purposes of panel 11 of Form AN1) hereby consents to an application being made by the Chargee to the Chief Land Registrar for the registration of an agreed notice in Form AN1 to protect this Deed against its title to that property;
- 3.5.2 if the title to any such property is required to be registered at HM Land Registry under the provisions of the Land Registration Act 2002, the Chargor shall immediately apply for first registration of the estate acquired in Form FR1 (or procure that such application is made on its behalf) and shall disclose or procure that the existence of this Deed is disclosed to HM Land Registry either in the Form DL accompanying such application or in panel 12 of Form FR1; and
- 3.5.3 if the title to any such property represents the transfer of either part of a commonhold unit or part of the common parts of land registered as a freehold estate in commonhold land under the Commonhold and Leasehold Reform Act 2002, the Chargor shall also procure that the application to register the transfer is accompanied by an application in Form CM3 to register the commonhold community statement that has been amended in relation to the transfer as required by Rule 15 or, as the case may be, Rule 16 of the Commonhold (Land Registration) Rules 2004,

and, in each such case, the Chargor shall, immediately after registration of it as the proprietor of the relevant registered estate, provide the Chargee with an official copy of the register recording the same.

Notices of Charge

- 3.6 The Chargor shall, as soon as reasonably practicable following the reasonable request of the Chargee from time to time, give or join the Chargee in giving a notice of charge in such form as the Chargee may reasonably require to the relevant counterparty, insurer or other third party (as the case may be) in respect of any asset which is charged pursuant to clause 2.2 above.
- 3.7 Each such notice shall be duly signed by or on behalf of the Chargor and the Chargor shall procure that each person on whom any such notice is served promptly provides to the Chargee a duly signed acknowledgement of that notice in such form as the Chargee may reasonably require.

Deposit of Documents of Title

- 3.8 The Chargor shall promptly deposit with the Chargee (unless already held by its solicitors on behalf of and to the Chargee's order or at HM Land Registry for the purpose of registration of the security constituted by this Deed) all deeds, certificates and other documents of title from time to time relating to the Charged Property and shall promptly, upon the request of the Chargee from time to time, deliver to Chargee all such other documents relating to the Charged Property as the Chargee may reasonably require.

4. FURTHER ASSURANCE

Further Assurance

- 4.1 The Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Chargee or any

Receiver may reasonably specify (and in such form as the Chargee or any Receiver may reasonably require in favour of the Chargee or its nominee(s)) to:

- 4.1.1 perfect the security created or intended to be created in respect of the Charged Property (which may include the execution by the Chargor of a mortgage, charge, assignment or other Security over all or any of the assets forming part of, or which are intended to form part of, the Charged Property);
- 4.1.2 facilitate the exercise of any rights, powers and remedies of the Chargee or any Receiver or Delegate provided by or pursuant to this Deed or by law; and/or
- 4.1.3 facilitate the realisation of the assets which form part of, or are intended to form part of, the Charged Property.

Necessary Action

- 4.2 The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Chargee by or pursuant to this Deed.

Implied Covenants for Title

- 4.3 Each of the mortgages and charges granted by the Chargor under this Deed are granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, save that the covenants set out in section 2(1)(a), section 3 and section 4 of that Act shall extend to the Chargor without, in each case, the benefit of section 6(2) of that Act.

5. REPRESENTATIONS

General

- 5.1 The Chargor makes the representations and warranties set out in this clause 5 to the Chargee on the date of this Deed.

Status

- 5.2 It is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation and it has the power to own its assets and carry on its business as it is being conducted.

Binding Obligations

- 5.3 The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations and (without limiting the generality of the foregoing) this Deed creates the security which it purports to create and that security is valid and effective.

Power and Authority

- 5.4 It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.
- 5.5 No limit on its powers will be exceeded as a result of the grant of security contemplated by this Deed.

Non-conflict with Other Obligations

- 5.6 The entry into and performance by it of, and the transactions contemplated by, this Deed and the granting of the security under this Deed do not and will not conflict with:
- 5.6.1 any law or regulation applicable to it;
 - 5.6.2 its constitutional documents; or
 - 5.6.3 any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument,
- nor (except as provided in this Deed) result in the existence or imposition of, or oblige it to create, any Security in favour of any person over all or any of its assets.

Insolvency and Centre of Main Interests and Establishments

- 5.7 It is not insolvent as defined in the Insolvency Act 1986 and is able to pay its debts as they fall due and, for the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings, its centre of main interest (as that term is used in article 3(1) of that Regulation) is situated in its jurisdiction of incorporation and it has no “**establishment**” (as that term is used in article 2(h) of that Regulation) in any other jurisdiction.

Validity and Admissibility in Evidence

- 5.8 All Authorisations required or desirable to:
- 5.8.1 enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed;
 - 5.8.2 make this Deed admissible in evidence in its jurisdiction of incorporation; and
 - 5.8.3 enable it to create any security expressed to be created by it by or pursuant to, or, as the case may be, any security expressed to have been created by it and to be evidenced in, this Deed and to ensure that such security has the priority and ranking it is expressed to have,
- have been obtained or effected and are in full force and effect.

Governing Law and Enforcement

- 5.9 The choice of English law as the governing law of this Deed will be recognised and enforced in its jurisdiction of incorporation.
- 5.10 Any judgment obtained in the courts of England in relation to this Deed (or, in the case that this Deed confers jurisdiction to settle disputes on any other courts, any judgment obtained in those other courts) will be recognised and enforced in its jurisdiction of incorporation.
- 5.11 It has entered into this Deed for private, commercial purposes and, in any proceedings taken in its jurisdiction of incorporation in relation to this Deed, it will not be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.

No Filing or Stamp Taxes

- 5.12 Under the law of its jurisdiction of incorporation it is not necessary that this Deed be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar taxes or fees be paid on or in relation to this Deed or the transactions contemplated by this Deed, except:

- 5.12.1 registration of a certified copy of this Deed at Companies House under section 859A of the Companies Act 2006 and payment of associated fees; and
- 5.12.2 registration of this Deed at the Land Registry or Land Charges Registry in England and Wales and payment of associated fees,

which registrations and fees will be made and paid promptly after the date of this Deed.

No Breach of Law or Default

- 5.13 It has not breached any law or regulation which breach could or might result in any material adverse change in its financial condition, business or assets.
- 5.14 It is not in material breach under any agreement to which it is a party nor is it in default in respect of any material financial commitment or liability.

No Misleading Information

- 5.15 All financial and other information provided by it (including its advisers) to the Chargee was true, complete and accurate in all material respects as at the date it was provided and is not misleading in any respect.

No Proceedings Pending or Threatened

- 5.16 No litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency which, if adversely determined, could or might result in any material adverse change in its financial condition, business or assets have, as far as the Chargor is aware, been started or threatened against it.

Creation of Security

- 5.17 This Deed creates or, as applicable, evidences in favour of the Chargee the security which it purports to create or evidence with the ranking and priority which it is expressed to have.
- 5.18 Without limiting clause 5.17 above, its payment obligations under this Deed rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

Good Title to Assets

- 5.19 It has a good, valid and marketable title to, or valid leases or licences of, and all appropriate Authorisations to use, the assets necessary to carry on its business as it is being conducted.
- 5.20 It is the sole legal and beneficial owner of the assets over which it purports to grant security under this Deed.

Environmental Laws

- 5.21 It is in compliance with clause 6.15 (*Environmental Compliance*) and, as far as the Chargor is aware, no circumstances have occurred which would prevent such compliance in a manner or to an extent that might reasonably be expected to have a material adverse effect on its business, assets or financial condition or on its ability to comply with its obligations under this Deed.
- 5.22 No Environmental Claim has been commenced or, as far as the Chargor is aware, is threatened against it where that claim, if adversely determined, might reasonably be expected to have a material adverse effect on its business, assets or financial condition or on its ability to comply with its obligations under this Deed.

Continuing Representations

- 5.23 The Chargor undertakes with the Chargee that the representations and warranties in this clause 5 will be deemed to be repeated on a quarterly basis throughout the continuance of this Deed by reference to the facts and circumstances existing from time to time.

6. GENERAL UNDERTAKINGS***General***

- 6.1 The undertakings in this clause 6 and in clause 7 (*The Lease*) remain in force from the date of this Deed for so long as any amount is outstanding under this Deed.

Negative Pledge

- 6.2 The Chargor shall not create or extend or permit to arise or subsist any Security (other than any Security constituted by this Deed) over the whole or any part of the Charged Property other than with the prior written consent of the Chargee.

Restriction on Disposals

- 6.3 The Chargor shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of the whole or any part of the Charged Property, other than as permitted under this Deed or with the prior consent of the Chargee.

Access

- 6.4 The Chargor shall permit the Chargee and any other person nominated by it free access at all reasonable times and on reasonable notice to enter upon and/or view the state and condition of the Charged Property (without, in any case, becoming liable to account as mortgagee in possession).

Insurance

- 6.5 The Chargor shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Charged Property (insofar as it is of an insurable nature) against:

- 6.5.1 loss or damage by fire or terrorist acts;
- 6.5.2 other risks, perils and contingencies and in such amounts and on such terms as would be taken out by reasonably prudent persons carrying on the same class of business as that carried on by it; and
- 6.5.3 any other risks, perils and contingencies and in such amounts and on such terms as the Chargee may reasonably require.

- 6.6 All such insurances must be with an insurance company or underwriters and on such terms as are reasonably acceptable to the Chargee and must be in a sum or sums not less than the replacement value of the Charged Property (meaning, in the case of the Premises, the total cost of entirely rebuilding, reinstating or replacing the Premises in the event of their being completely destroyed, together with architects', surveyors', engineers' and other professional fees and charges for demolition and reinstatement).

- 6.7 The Chargor shall, if requested by the Chargee, procure that the Chargee is named as co-insured with the Chargor on each policy of insurance effected or maintained by it or any person on its

behalf in accordance with clause 6.5 above or that a note of the Chargee's interest is endorsed upon, and the Chargee is named as sole loss payee in respect of, each such policy, as the Chargee may require and that the terms of each such policy require the insurer not to invalidate the policy as against the Chargee by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Chargee.

- 6.8 The Chargor shall promptly pay all premiums and other moneys payable under or in respect of each policy of insurance as is required by clause 6.5 above and do all other things necessary to keep each such policy in full force and effect and shall, promptly upon request, produce to the Chargee receipts showing the payment of such moneys within seven days of their becoming due and payable (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as the Chargor is entitled to obtain from the landlord under the terms of the relevant lease).
- 6.9 The Chargor shall, on written demand by the Chargee, produce to the Chargee the policy, certificate or cover note relating to any such insurance as is required by clause 6.5 above (or where, in the case of any leasehold property, such insurance is effected by the landlord, such evidence of insurance as the Chargor is entitled to obtain from the landlord under the terms of the relevant lease). Where, in the case of leasehold property, such insurance is effected by the landlord or the terms of the relevant lease require the landlord to effect insurance, the Chargor shall use all reasonable endeavours to enforce the covenants by the landlord relating to insurance contained in that lease (including any reinstatement covenants).
- 6.10 The Chargor shall not do or cause or permit to be done or, as the case may be, not done, and shall not fail to disclose, any matter or thing which may make any such insurance as is required by clause 6.5 above void or voidable.

Remedying Insurance Defaults

- 6.11 If default shall be made by the Chargor in complying with clause 6.5 above, the Chargee may (but shall not be obliged to) effect or renew any such insurance as is required by that clause on such terms, in such name(s) and in such amount(s) as the Chargee reasonably considers appropriate. All moneys expended by the Chargee in so doing shall be reimbursed by the Chargor to the Chargee on demand.

Proceeds of Insurance

- 6.12 All moneys received or receivable by the Chargor under any Insurances in respect of the Premises or any other Charged Property of an insurable nature shall be held on trust for the Chargee and applied (subject to the rights and claims of any person having prior rights thereto):
- 6.12.1 in replacing, restoring or reinstating the Premises or other Charged Property destroyed or damaged or in such other manner as the Chargee shall have previously approved in writing; or
- 6.12.2 after the security constituted by this Deed has become enforceable and if the Chargee so directs, in or towards satisfaction of the Secured Liabilities in accordance with clause 15.1 (*Order of Application*).

Authorisations

- 6.13 The Chargor shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect, and supply certified copies to the Chargee of, any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations

under this Deed and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of this Deed.

Compliance with Laws and Regulations

- 6.14 The Chargor shall comply in all respects with all laws and regulations to which it or any Charged Property may be subject, if failure so to comply would materially impair its ability to perform its obligations under this Deed.

Environmental Compliance

- 6.15 Without limiting clause 6.14 (*Compliance with Laws and Regulations*), the Chargor shall:

- 6.15.1 comply with all Environmental Law;
- 6.15.2 obtain, maintain and ensure compliance with all requisite Environmental Permits; and
- 6.15.3 implement procedures to monitor compliance with and to prevent liability under any Environmental Law,
- 6.15.4 where failure to do so might reasonably be expected to have a material adverse effect on its business, assets or financial condition or on its ability to comply with its obligations under this Deed.

Environmental Permits and Claims

- 6.16 The Chargor shall, promptly upon becoming aware of the same, inform the Chargee in writing of:

- 6.16.1 any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Permit; and
- 6.16.2 any facts or circumstances which are reasonably likely to result in any modification, suspension or revocation of any Environmental Permit or in any Environmental Permit not being extended, reviewed, granted or (where necessary) transferred,
- 6.16.3 where the modification, suspension or revocation, if implemented, or, as the case may be, the failure to extend, review, grant or transfer, might reasonably be expected to have a material adverse effect on its business, assets or financial condition or on its ability to comply with its obligations under this Deed.

- 6.17 The Chargor shall, promptly upon becoming aware of the same, inform the Chargee in writing of:

- 6.17.1 any Environmental Claim against it which is current, pending or threatened; and
- 6.17.2 any facts or circumstances which might reasonably be expected to result in any Environmental Claim being commenced or threatened against it,

where the claim, if determined against it, might reasonably be expected to have a material adverse effect on its business, assets or financial condition or on its ability to comply with its obligations under this Deed.

Information

- 6.18 The Chargor shall promptly supply to the Chargee such information as the Chargee may reasonably require about the Charged Property and its compliance with the terms of this Deed and such further information regarding its financial condition, assets and operations as the Chargee may reasonably request.

- 6.19 The Chargor shall promptly notify the Chargee in writing of any action, claim or demand made by or against it in connection with all or any part of the Charged Property or of any fact, matter or circumstance which may with the passage of time give rise to such an action, claim or demand, together with the Chargor's proposals for settling, liquidating, compounding or contesting the same and shall, subject to the Chargee's approval of such proposals, implement them at its own expense.

Notices relating to Charged Property

- 6.20 The Chargor shall, within 14 days after the receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority with respect to the whole or any part of the Charged Property:
- 6.20.1 deliver a copy to the Chargee;
 - 6.20.2 inform the Chargee of the steps taken or proposed to be taken by it to comply with the relevant application, requirement, order or notice; and
 - 6.20.3 comply with any reasonable request by the Chargee to take such action as the Chargee may believe necessary to preserve or protect the Charged Property or the security constituted or intended to be constituted by this Deed.

Not Jeopardise Security

- 6.21 The Chargor shall not do or cause or permit to be done anything which might in any way depreciate, jeopardise or otherwise prejudice the value to the Chargee of the security constituted or intended to be constituted by this Deed.

7. THE LEASE

- 7.1 The Chargor shall, at all times, comply with the terms of the Lease in all material respects.

8. ENFORCEMENT OF SECURITY

When Security becomes Enforceable

- 8.1 The security constituted by this Deed shall become immediately enforceable and the power of sale and other powers conferred by section 101 of the LPA, as varied or extended by this Deed, shall be immediately exercisable upon and at any time after a notice by the Chargee demanding payment, performance and/or discharge of any of the Secured Liabilities shall have been served by the Chargee on the Chargor.
- 8.2 After the security constituted by this Deed has become enforceable, the Chargee may in its absolute discretion enforce all or any part of that security at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Charged Property.

Redemption of Prior Mortgages

- 8.3 The Chargee or any Receiver may at any time:
- 8.3.1 redeem any prior Security over any Charged Property; or
 - 8.3.2 procure the transfer of that Security to the Chargee; or
 - 8.3.3 settle and pass the accounts of the person or persons entitled to such Security (and any accounts so settled and passed shall be conclusive and binding on the Chargor).

- 8.4 All principal moneys, interest, costs, charges and expenses of and incidental to any such redemption or transfer shall be paid by the Chargor to the Chargee and every Receiver on demand and shall be secured by this Deed.

9. EXTENSION AND VARIATION OF THE LPA

General

- 9.1 For the purposes of all powers implied by the LPA, such powers shall arise (and the Secured Liabilities shall be deemed to have become due and payable for that purpose) on the date of this Deed.
- 9.2 Section 103 of the LPA (restricting the power of sale) and section 93 of the LPA (restricting the right of consolidation) shall not apply to the security constituted by this Deed.
- 9.3 The statutory powers of leasing conferred on the Chargee are extended so as to authorise the Chargee and any Receiver at any time after the security constituted by this Deed has become enforceable to make any lease or agreement for lease, accept surrenders of leases and/or grant options on such terms as it or he shall think fit, without the need to comply with any restrictions imposed by sections 99 and 100 of the LPA.

Privileges

- 9.4 Each Receiver and the Chargee is entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers.

10. APPOINTMENT OF RECEIVER

Appointment

- 10.1 At any time after the security constituted by this Deed has become enforceable or if the Chargor so requests the Chargee in writing (in which case the security constituted by this Deed shall become immediately enforceable), the Chargee may without prior notice to the Chargor appoint free from the restrictions imposed by section 109(1) of the LPA either under seal or in writing under its hand any one or more persons to be a Receiver of the whole or any part or parts of the Charged Property in like manner in every respect as if the Chargee had become entitled under the LPA to exercise the power of sale conferred under the LPA.

Removal

- 10.2 The Chargee may by writing under its hand (or by an application to the court where required by law):
- 10.2.1 remove any Receiver appointed by it; and
- 10.2.2 appoint, whenever it deems it expedient, any one or more persons to be a new Receiver in the place of or in addition to any Receiver.

Statutory Powers of Appointment

- 10.3 The powers of appointment of a Receiver conferred by this Deed shall be in addition to all statutory and other powers of appointment of the Chargee under the LPA (as extended by this Deed) or otherwise and such powers shall be and remain exercisable from time to time by the Chargee in respect of any part or parts of the Charged Property.

Capacity of Receiver

- 10.4 Each Receiver shall be deemed to be the agent of the Chargor for all purposes. The Chargor alone shall be responsible for a Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him.
- 10.5 The agency of each Receiver shall continue until the Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Chargee.
- 10.6 If there is more than one Receiver holding office at the same time, each Receiver shall (unless the document appointing him states otherwise) be entitled to act (and to exercise all of the powers conferred on a Receiver under this Deed) individually or together with any other person appointed or substituted as Receiver.

Remuneration of Receiver

- 10.7 The Chargee may fix the remuneration of any Receiver appointed by it without any restriction imposed by section 109(6) of the LPA and the remuneration of the Receiver shall be a debt secured by this Deed, which shall be due and payable immediately upon its being paid by the Chargee.

11. POWERS OF RECEIVER***General***

- 11.1 Each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out below in this clause 11 in addition to those conferred by law.
- 11.2 Without prejudice to the generality of this clause 11, each Receiver shall have all the rights, powers and discretions of an administrative receiver under schedule 1 to the Insolvency Act 1986 whether he falls within the statutory definition of an administrative receiver or not.

Specific Powers

- 11.3 Each Receiver shall have the following powers (and every reference in this clause 11.3 to the "**Charged Property**" shall be read as a reference to that part or parts of the Charged Property in respect of which that Receiver was appointed):
- 11.3.1 power to purchase or acquire land and purchase, acquire or grant any interest in or right over land as he thinks fit;
 - 11.3.2 power to take immediate possession of, get in and collect any Charged Property;
 - 11.3.3 power (but without any obligation to do so) to:
 - (a) make and effect all repairs, alterations, additions and insurances and do all other acts which the Chargor might do in the ordinary conduct of its business as well for the protection as for the improvement of the Charged Property;
 - (b) commence or complete any building operations on the Charged Property;
 - (c) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence in respect of the Charged Property; and
 - (d) negotiate for compensation with any authority which may intend to acquire or be in the process of acquiring all or any part of the Charged Property and make objections to any order for the acquisition of all or any part of the

Charged Property and represent the Chargor at any enquiry to be held to consider such objections or otherwise relating to any such acquisition,

in each case as he thinks fit;

- 11.3.4 power to appoint and discharge managers, officers, agents, advisers, accountants, servants, workmen, contractors, surveyors, architects, lawyers and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit and power to discharge any such persons appointed by the Chargor (and the costs incurred by any Receiver in carrying out such acts or doing such things shall be reimbursed to that Receiver by the Chargor on demand);
- 11.3.5 power to raise and borrow money either unsecured or (with the prior consent of the Chargee) on the security of any Charged Property either in priority to the security constituted by this Deed or otherwise and generally on any terms and for whatever purpose he thinks fit;
- 11.3.6 power to sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms as he thinks fit;
- 11.3.7 power to sever and sell separately any fixtures from the property containing them without the consent of the Chargor;
- 11.3.8 power to let any Charged Property for any term and at any rent (with or without a premium) as he thinks fit and power to accept a surrender of any lease or tenancy of any Charged Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender);
- 11.3.9 power to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Charged Property;
- 11.3.10 power to bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any Charged Property or in relation to the Chargor which may seem to him to be expedient;
- 11.3.11 power to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising any Charged Property;
- 11.3.12 power to form a subsidiary of the Chargor and transfer to that subsidiary any Charged Property;
- 11.3.13 power to do all such acts as may seem to him to be necessary or desirable in order to initiate or continue any development of any Charged Property and for these purposes to appoint and to enter into such contracts with such building and engineering contractors or other contractors and professional advisers as he may think fit;
- 11.3.14 power to call any meeting of the members or directors of the Chargor in order to consider such resolutions or other business as he thinks fit;
- 11.3.15 power to exercise in relation to any Charged Property all the powers and rights which he would be capable of exercising if he were the absolute beneficial owner of the same;

11.3.16 power to do all other acts and things which he may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and

11.3.17 power to exercise any of the above powers in the name of or on behalf of the Chargor or in his own name and, in each case, at the cost of the Chargor.

Chargee's Powers

11.4 To the fullest extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) upon a Receiver may after the security constituted by this Deed has become enforceable be exercised by the Chargee in relation to any Charged Property, irrespective of whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

12. DISCRETIONS AND DELEGATION

Discretion

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

Delegation

12.2 Each of the Chargee and any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney).

12.3 Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Chargee or any Receiver (as the case may be) shall think fit.

12.4 Neither the Chargee nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

13. POWER OF ATTORNEY

Appointment and Powers

13.1 The Chargor, by way of security and to more fully secure the performance of its obligations under this Deed, hereby irrevocably appoints the Chargee and separately any Delegate and/or any Receiver to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise (whether or not a Receiver or administrator has been appointed) to:

13.1.1 do anything which the Chargor is obliged to do (but has not done within 5 Business Days of being notified by the Chargee of such failure and being requested to comply) in accordance with this Deed, including to execute and deliver and otherwise perfect this Deed; and

13.1.2 enable the Chargee or any Delegate and/or Receiver to exercise (or to delegate) all or any of the rights conferred on it by this Deed or by statute in relation to this Deed or the Charged Property.

Ratification

- 13.2 The Chargor ratifies and confirms whatever any attorney does or purports to do (acting lawfully) pursuant to his appointment under clause **Error! Reference source not found.** (*Appointment and Powers*) (except in the case of gross negligence or wilful misconduct).

14. PROTECTION OF PURCHASERS

Consideration

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

Protection of Third Parties

- 14.2 No person (including a purchaser) dealing with the Chargee, any Receiver or any Delegate shall be bound to enquire:
- 14.2.1 whether the Secured Liabilities have become payable; or
 - 14.2.2 whether any power which the Chargee or any Receiver or Delegate is purporting to exercise has arisen or become exercisable; or
 - 14.2.3 whether any Secured Liabilities remain due to the Chargee; or
 - 14.2.4 how any money paid to the Chargee or to any Receiver or Delegate is to be applied,
- or shall be concerned with any propriety, regularity or purpose on the part of the Chargee or any Receiver or Delegate in such dealings or in the exercise of any such power.

15. APPLICATION OF PROCEEDS

Order of Application

- 15.1 All moneys received or recovered by the Chargee, any Receiver or any Delegate pursuant to this Deed, after the security constituted by this Deed has become enforceable, shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the LPA) be applied in the following order (but without prejudice to the right of the Chargee to recover any shortfall from the Chargor):
- 15.1.1 in or towards payment of all costs, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of his rights and powers, including his remuneration, and all outgoings paid by him;
 - 15.1.2 in or towards payment of all other Expenses;
 - 15.1.3 in or towards payment of all other Secured Liabilities or such part of them as is then due and payable to the Chargee in such order as the Chargee may select; and
 - 15.1.4 in payment of the surplus (if any) to the Chargor or other person entitled to it.
- 15.2 Clause 15.1 (*Order of Application*) will override any appropriation made by the Chargor.

New Accounts

- 15.3 If the Chargee at any time receives, or is deemed to have received, notice of any subsequent Security or other interest affecting any Charged Property, the Chargee may open a new account with the Chargor.
- 15.4 If the Chargee does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received, or was deemed to have received, such notice. As from that time all payments made by or on behalf of the Chargor to the Chargee shall be credited or be treated as having been credited to the new account of the Chargor and not as having been applied in reduction of the Secured Liabilities.

Currency Conversion

- 15.5 For the purpose of or pending the discharge of any of the Secured Liabilities, the Chargee may (in its absolute discretion) convert any moneys received or recovered by the Chargee or any Receiver or Delegate pursuant to this Deed or any moneys subject to application by the Chargee or any Receiver or Delegate pursuant to this Deed from one currency to another and any such conversion shall be made at the Chargee's spot rate of exchange for the time being for obtaining such other currency with the first currency and the Secured Liabilities shall be discharged only to the extent of the net proceeds of such conversion realised by the Chargee. Nothing in this Deed shall require the Chargee to make, or shall impose any duty of care on the Chargee in respect of, any such currency conversion.

16. NO LIABILITY AS MORTGAGEE IN POSSESSION

- 16.1 Neither the Chargee nor any Receiver or Delegate shall in any circumstances (either by reason of entering into or taking possession of any Charged Property or for any other reason and whether as mortgagee in possession or on any other basis) be liable to account to the Chargor for anything, except actual receipts, or be liable to the Chargor for any costs, charges, losses, liabilities or expenses arising from the realisation of any Charged Property or from any act, default or omission of the Chargee, any Receiver, any Delegate or any of their respective officers, agents or employees in relation to the Charged Property or from any exercise or purported exercise or non-exercise by the Chargee or any Receiver or Delegate of any power, authority or discretion provided by or pursuant to this Deed or by law or for any other loss of any nature whatsoever in connection with the Charged Property or this Deed.
- 16.2 If the Chargee, any Receiver or any Delegate enters into or takes possession of the Charged Property, it or he may at any time relinquish possession.

17. SET-OFF

- 17.1 Without limiting any other rights conferred on the Chargee by law or by any other agreements entered into with the Chargor, the Chargee may (but shall not be obliged to) set off any matured obligation due from the Chargor under this Deed (to the extent beneficially owned by the Chargee) against any obligation (whether matured or not) owed by the Chargee to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. If the obligation owed by the Chargee is unliquidated or unascertained, the Chargee may set off in an amount estimated by it in good faith to be the amount of that obligation.

18. EFFECTIVENESS OF SECURITY***Continuing Security***

- 18.1 The security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, unless and until discharged by the Chargee, and will extend to the ultimate balance of all the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

Cumulative Rights

- 18.2 The security constituted by this Deed and all rights, powers and remedies of the Chargee provided by or pursuant to this Deed or by law shall be cumulative and in addition to, and independent of, any other guarantee or Security now or subsequently held by the Chargee for the Secured Liabilities or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Chargee over the whole or any part of the Charged Property shall be superseded by, or supersede or merge into, the security constituted by this Deed.

Reinstatement

- 18.3 If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or any Security for those obligations or otherwise) is made by the Chargee in whole or in part on the faith of any payment, Security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Chargor under, the security constituted by this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.
- 18.4 The Chargee may concede or compromise any claim that any payment or any discharge is liable to avoidance or restoration.

19. PAYMENTS***Manner of Payments***

- 19.1 The Chargor shall make all payments required to be made by it under this Deed available to the Chargee (unless a contrary indication appears in this Deed) for value on the due date at the time and in such funds specified by the Chargee as being customary at the time for settlement of transactions in the relevant currency in the place of payment. Payment shall be made in the currency in which the relevant indebtedness is denominated or, if different, is expressed to be payable and to such account in the principal financial centre of the country of that currency with such bank as the Chargee specifies.

No Set-off by Chargor

- 19.2 All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

Tax Gross-Up

- 19.3 The Chargor shall make all payments to be made by it under this Deed without any deduction or withholding for or on account of Tax, unless such a deduction or withholding is required by law. The Chargor, promptly upon becoming aware that it must make such a deduction or withholding (or that there is any change in the rate or the basis of such a deduction or withholding), shall notify the Chargee accordingly.
- 19.4 If a deduction or withholding for or on account of Tax from a payment under this Deed is required by law to be made by the Chargor, the amount of the payment due from the Chargor

shall be increased to an amount which (after making any such deduction or withholding) leaves an amount equal to the payment which would have been due if no such deduction or withholding had been required.

- 19.5 If the Chargor is required to make a deduction or withholding for or on account of Tax from a payment under this Deed, the Chargor shall make that deduction or withholding and any payment required in connection with that deduction or withholding within the time allowed and in the minimum amount required by law. Within thirty days of making such a deduction or withholding or any payment required in connection with that deduction or withholding, the Chargor shall deliver to the Chargee evidence reasonably satisfactory to the Chargee that the deduction or withholding has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

20. EXPENSES, STAMP TAXES AND INDEMNITIES

Expenses

- 20.1 The Chargor shall promptly on demand pay to the Chargee and each Receiver or Delegate the amount of all costs and expenses (including legal fees) reasonably incurred by any of them in connection with the negotiation, preparation, printing, execution and perfection of this Deed and any other documents referred to in this Deed and in responding to, evaluating, negotiating or complying with any request for an amendment, waiver or consent made by the Chargor in relation to this Deed.
- 20.2 The Chargor shall, within three business days of demand, pay to the Chargee and each Receiver or Delegate the amount of all costs and expenses (including legal fees) incurred by any of them in connection with the enforcement of, or the defence, protection and/or preservation of, any rights, remedies and powers under this Deed or the security constituted, or intended to be constituted, by this Deed and any proceedings instituted by or against the Chargee as a consequence of taking or holding the security constituted, or intended to be constituted, by this Deed or enforcing any such rights, powers and remedies.

Stamp Taxes

- 20.3 The Chargor shall pay, and shall promptly on demand indemnify the Chargee and every Receiver or Delegate against any cost, loss or liability any of them incurs in relation to, all stamp duty, registration and similar Taxes payable in connection with the entry into, performance or enforcement, of this Deed, the security constituted by this Deed or any judgment given in connection with this Deed.

General Indemnity

- 20.4 The Chargor shall, notwithstanding the release or discharge of all or any part of the security constituted by this Deed, promptly indemnify the Chargee and every Receiver and Delegate against any cost, loss, liability or damage incurred by any of them as a result of:
- 20.4.1 any default or delay by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed (including, without limitation, any arising from any actual or alleged breach by any person of any Environmental Law or Environmental Permits);
- 20.4.2 the taking, holding, protection or enforcement of the security constituted by this Deed; and

20.4.3 the exercise of any of the rights, powers, discretions and remedies vested in the Chargee and each Receiver and Delegate by this Deed or by law in respect of the Charged Property.

Value Added Tax

20.5 Any cost or expense referred to in this clause 20 is exclusive of any VAT that might be chargeable in connection with that cost or expense. If any VAT is so chargeable, it shall be paid by the Chargor at the same time as it pays the relevant cost or expense.

21. CERTIFICATES AND DETERMINATIONS

21.1 Any certificate or determination by the Chargee of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

22. PARTIAL INVALIDITY

22.1 If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Deed nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired and, if any part of the security constituted, or intended to be constituted, by this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

23. REMEDIES AND WAIVERS

23.1 No failure to exercise, nor any delay in exercising, on the part of the Chargee, any right, remedy or power under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right, remedy or power prevent any further or other exercise or the exercise of any other right, remedy or power. The rights, remedies and powers provided in this Deed are cumulative and not exclusive of any rights, remedies or powers provided by law.

23.2 Any amendment, waiver or consent by the Chargee under this Deed must be in writing and may be given subject to any conditions thought fit by the Chargee. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

24. NOTICES

Communications in writing

24.1 Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by letter.

Addresses

24.2 The address (and the department or officer, if any, for whose attention the communication is to be made) of the Chargor and the Chargee for any communication or document to be made or delivered under or in connection with this Deed is that identified with its name below:

Barchester Healthcare Homes Limited

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

For the Attention of: The Directors

Aedifica UK Limited

Address: 8 Sackville Street, London, United Kingdom W1S 3DG

For the Attention of: The Directors

or any substitute address or department or officer as the Chargor may notify to the Chargee (or the Chargee may notify to the Chargor, if a change is made by the Chargee) by not less than five Business Days' notice.

Delivery

- 24.3 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective if by way of letter, when it has been left at the relevant address or five business days after being deposited in the post postage prepaid in an envelope addressed to it at that address, and, if a particular department or officer is specified as part of its address details provided under clause 24.2 (*Addresses*), if addressed to that department or officer.
- 24.4 Any communication or document to be made or delivered to the Chargee will be effective only when actually received by it and then only if it is expressly marked for the attention of the department or officer identified with the Chargee's name in clause 24.2 (*Addresses*) (or any substitute department or officer as it shall specify for this purpose).

25. COUNTERPARTS

- 25.1 This Deed may be executed in any number of counterparts and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

26. ASSIGNMENT

- 26.1 Subject to the Deed of Priority, the Chargee may assign, charge or transfer all or any of its rights under this Deed without the consent of the Chargor. The Chargee may disclose any information about the Chargor and this Deed as the Chargee shall consider appropriate to any actual or proposed direct or indirect successor or to any person to whom information is required to be disclosed by any applicable law or regulation.

27. RELEASES

Early redemption

- 27.1 In this clause 27.1 (Early redemption):
- 27.1.1 "**Alternative Security**" means either a Bank Guarantee or a Cash Deposit;
- 27.1.2 "**Bank Guarantee**" means a bank guarantee provided by a top tier clearing bank or building society or similar lending institution incorporated in the United Kingdom under which it guarantees, up to a maximum aggregate amount equal to the Secured Sum, the Tenant's performance of the tenant covenants in the Lease for the Remainder of the Term;

- 27.1.3 **“Cash Deposit”** means a cash deposit equal to the Secured Sum;
- 27.1.4 **“Chargor's Notice”** has the meaning given in clause 27.2;
- 27.1.5 **“Lease”**: the Mortgaged Property described in Schedule 1;
- 27.1.6 **“Remainder of the Term”** means the period commencing on the date of the Chargor's Notice and expiring on the contractual expiry date of the Term;
- 27.1.7 **“Secured Sum”** means a capital amount equal to the Yearly Rent from and including the date of a Chargor's Notice for the Remainder of the Term;
- 27.1.8 **“Term”** has the meaning given in each Lease;
- 27.1.9 **“Yearly Rent”** means the Yearly Rent (as defined in a Lease) payable at the date of a Chargor's Notice;
- 27.2 At any time during the final five years of the Term in relation to a Mortgaged Property and provided that all rent reviews have been completed and there are no further rent reviews to be carried out under the relevant Lease, and provided that the Chargor (and no surety in respect of a Lease) is insolvent, the Chargor may serve written notice upon the Chargee (the **“Chargor's Notice”**) requiring the Chargee to release the Security over that Mortgaged Property in return for being provided with the Alternative Security and such Chargor's Notice shall specify whether the Alternative Security is a Bank Guarantee or a Cash Deposit.
- 27.3 If the Alternative Security is a Cash Deposit, the Chargee shall provide a duly executed deed of release to the Chargor upon delivery to the Chargee (in form and substance satisfactory to the Chargee acting reasonably) of:
 - 27.3.1 evidence of the opening of a new deposit account with the account bank in the name of the Chargor and with the Chargee having sole signing rights (the **“New Account”**);
 - 27.3.2 evidence of the Cash Deposit standing to the credit of the New Account;
 - 27.3.3 a bank account mandate for the New Account;
 - 27.3.4 a supplemental debenture creating a fixed charge over the New Account;
 - 27.3.5 a notice to the account bank in the form set out in the supplemental debenture;
 - 27.3.6 confirmation from the account bank that it will acknowledge the notice sent to it in the form set out in the supplemental debenture; and
 - 27.3.7 board minutes of the Chargor.
- 27.4 If the Alternative Security is a Bank Guarantee, the Chargee shall provide a duly executed deed of release to the Chargor upon delivery to the Chargee of a duly executed Bank Guarantee (in form and substance satisfactory to the Chargee acting reasonably).

At the end of the Security Period

- 27.5 Upon the expiry of the Liability Period (but not otherwise) and subject to clauses 18.3 and 18.4 (*Reinstatement*), the Chargee shall, at the request and cost of the Chargor, take whatever action is necessary to release the Charged Property from the security constituted by this Deed.

28. GOVERNING LAW

- 28.1 This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

IN WITNESS of which this Deed has been entered into as a deed and is intended to be and is delivered on the day and year first before written.

**SCHEDULE 1
REAL PROPERTY**

Registered Land

(Freehold, commonhold or leasehold property (if any) in England and Wales of which the Chargor is registered as the proprietor at the Land Registry)

Premises at:	County/District	Registered at HM Land Registry under Title No:
Edingley Lodge Care Home, Station Road, Edingley NG22 8BX	Nottinghamshire: Newark and Sherwood	NT438935

EXECUTION PAGE

THE CHARGOR

Exccuted as a deed by)
BARCHESTER HEALTHCARE)
HOMES LIMITED)
on being signed by: Mark Hazlewood)
.....)
in the presence of:)

DocuSigned by:
.....
B0E384E83B51430....
Director

Signature of witness:)
.....
Name:)
.....
Address:)
Barchester 12)
Finsbury Square)
London)
EA)
Occupation:)
.....

DocuSigned by:
.....
3BA6F1F557F6489...
Julia Leslie

I confirm that I was physically
present when Mark
Hazlewood signed this deed.

THE CHARGE

AEDIFICA UK LIMITED

By:

EXECUTION PAGE

THE CHARGE

AEDIFICA UK LIMITED

Executed as a deed by

AEDIFICA UK LIMITED

acting by two directors

) [REDACTED]
) [REDACTED]
) Director [REDACTED]
) A [REDACTED] Steven Bogaerts
)
) Director [REDACTED]
) [REDACTED] BRUCE WALKER