



Registration of a Charge

Company Name: **DONALD WARDLE AND SON LIMITED**

Company Number: **02914910**



XBXH5EVU

Received for filing in Electronic Format on the: **16/02/2023**

Details of Charge

Date of creation: **14/02/2023**

Charge code: **0291 4910 0007**

Persons entitled: **LLOYDS BANK PLC AS SECURITY AGENT**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **ASHURST LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2914910

Charge code: 0291 4910 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th February 2023 and created by DONALD WARDLE AND SON LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th February 2023 .

Given at Companies House, Cardiff on 20th February 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**



Execution Version

Debenture

The Parent
and the other companies listed in schedule 1
and

Lloyds Bank plc
as Security Agent

Note: the application of recoveries under this debenture is regulated
by the terms of the Intercreditor Agreement

14 February 2023

CONTENTS

CLAUSE	PAGE
1. DEFINITIONS AND INTERPRETATION	1
2. COVENANT TO PAY.....	5
3. CHARGING CLAUSE	5
4. FURTHER ASSURANCE	8
5. UNDERTAKINGS - GENERAL	8
6. PROPERTY.....	9
7. INVESTMENTS	10
8. EQUIPMENT.....	11
9. BOOK DEBTS.....	11
10. BANK ACCOUNTS.....	12
11. MATERIAL INTELLECTUAL PROPERTY	12
12. HEDGING AGREEMENTS AND ASSIGNED AGREEMENTS	13
13. MATERIAL INSURANCE POLICIES	14
14. ATTORNEY	14
15. ENFORCEMENT	15
16. EXTENSION AND VARIATION OF STATUTORY POWERS	16
17. STATUS, POWERS, REMOVAL AND REMUNERATION OF RECEIVER.....	16
18. PROTECTION OF THIRD PARTIES	18
19. PROTECTION OF SECURITY AGENT AND RECEIVER	18
20. APPLICATION OF ENFORCEMENT PROCEEDS	19
21. PROTECTION OF SECURITY	19
22. NOTICES	22
23. CHANGES TO PARTIES.....	22
24. CURRENCY	22
25. MISCELLANEOUS	22
26. GOVERNING LAW AND JURISDICTION	23
SCHEDULE 1	24
Chargors.....	24
SCHEDULE 2	25
Subsidiary Shares	25
SCHEDULE 3	26
Material Intellectual Property.....	26
SCHEDULE 4	31
Forms of notice to counterparties.....	31
Part 1	31
Form of notice to counterparties of Assigned Agreements/Hedging Agreements.....	31
Part 2	33
Form of notice to insurers	33
SCHEDULE 5	35
Form of notice to Account Banks	35
SCHEDULE 6	38
Form of Security Accession Deed	38

THIS DEED is made on 14 February 2023

BETWEEN:

- (1) **BESTWAY HEALTHCARE HOLDINGS LIMITED** (a company incorporated in England and Wales with registered number 14598713) (the "**Parent**");
- (2) **THE COMPANIES** listed in schedule 1 (Chargors); and
- (3) **LLOYDS BANK PLC** (the "**Security Agent**", which expression shall include any person from time to time appointed as a successor, replacement or additional trustee in relation to the interests created by this deed).

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this deed:

"Assigned Agreements" means the Acquisition Documents, the Intra-Group Loans and any other agreement designated as an Assigned Agreement by the relevant Chargor (or the Obligors' Agent on its behalf) and the Security Agent;

"Bank Accounts" means all rights in relation to cash-deposit, current or other accounts held by a Chargor with any bank, financial institution or other person;

"Book Debts" means all book and other debts of any nature and all monetary claims (excluding any such debts or claims in relation to the Bank Accounts, the Assigned Agreements, the Material Insurance Policies and the Hedging Agreements);

"Charged Property" means the assets, charged or assigned to the Security Agent by this deed;

"Chargors" means the Parent, each of the companies listed in schedule 1 (Chargors) and each company which grants security over its assets in favour of the Security Agent by executing a Security Accession Deed;

"Commitment Letter" means the commitment letter made between the Company, and the arrangers set out therein in connection with the Senior Facilities Agreement;

"Company" means Bestway Healthcare Finco Limited, a private limited company incorporated in England and Wales with registered number 14598687 and with its registered address at Merchants Warehouse, Castle Street, Castlefield, Manchester M3 4LZ.

"Declared Default" means the occurrence of an Event of Default which has resulted in the Agent exercising any of its rights under clause 24.14 (Acceleration) of the Senior Facilities Agreement;

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Agent;

"Equipment" means all plant, machinery, vehicles, computers, office and other equipment;

"Event of Default" means an Event of Default under the Senior Facilities Agreement;

"Excluded Dormant Subsidiaries" means Pharma-Z Limited, Bridge Pharmacy (Newcastle Emlyn) Limited, R.D & M.D Parry (Chemist) Limited and N-Pharma Limited;

"Excluded Reorganisation Subsidiaries" means Care4U Pharmacy Limited, Opus Pharmaceuticals Limited, G Lightfoot & Son Limited, Three Swans Pharmacy Limited, Penrith Health Centre (PD) Consortium Limited, Keighley Health Centre Limited, P.H.C. (Pharmacy) Limited, Victoria Pharmacy Limited, Ideal Healthcare Limited, Portslade Medical Supplies Limited, F.A. Parkinson (Chemists) Limited, Pills Limited, RLJ Consultancy Limited and Ebbw Vale Consortium Limited;

"Fixed Charge Asset" means an asset charged under clause 3.1 (Fixed Charges);

"Floating Charge Asset" means an asset charged under clause 3.4 (Floating Charge);

"Hedging Agreements" means a "Hedging Agreement" as defined in the Senior Facilities Agreement;

"Insurance Policies" means any policy of insurance in which the relevant Chargor may from time to time have an interest (but excluding any third party liability insurance, directors' and officers' insurance, public liability insurance and any other insurance the proceeds of which are payable to the employees of any Chargor or any other third party in respect of the liability in respect of which such insurance policies are taken out);

"Intellectual Property" means any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and rights to use such assets including the intellectual property rights (if any) listed in schedule 3 (Material Intellectual Property) or in any Security Accession Deed;

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

"Intra-Group Loans" means any loan from time to time paid or payable by any member of the Group for the time being to a Chargor, and any other loan designated as an Intra-Group Loan by the relevant Chargor (or the Obligors' Agent on its behalf) and the Security Agent;

"Investments" means any stock, share, debenture, loan stock, security, interest in any investment fund and any other comparable investment (whether or not marketable) whether owned directly by or to the order of a Chargor or by any trustee, fiduciary or clearance system on its behalf (including the Subsidiary Shares);

"Lenders" means the Lenders as defined in the Senior Facilities Agreement;

"Material Insurance Policy" means any Insurance Policy in respect of assets which are necessary to the carrying out of the Group's business;

"Material Intellectual Property" means any Intellectual Property which is critical to the Group's business and cannot be readily sourced in any other way;

"Obligors' Agent" means the Obligors' Agent as defined in the Senior Facilities Agreement;

"Obligors" means the Obligors as defined in the Senior Facilities Agreement;

"Property" means all freehold, heritable and leasehold property (with the exception of any Restricted Property) and the buildings and fixtures (including trade fixtures) on that property from time to time;

"Rack Rent Lease" means any occupational lease or licence to which any real property may be subject at any time granted for a term of less than 25 years without payment of any premium;

"Receiver" means a receiver or receiver and manager in each case appointed under this deed;

"Related Rights" means, in relation to any asset:

- (a) the proceeds of sale of that asset or any part of that asset;
- (b) all dividends, distributions, interest and/or other income paid or payable in relation to that asset (including on any Investment), together with all shares or other property derived from that asset and all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to that asset (whether by way of conversion, redemption, bonus, preference, option or otherwise);
- (c) any monies and proceeds paid or payable in relation to that asset;
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of that asset; and
- (e) the benefit of all other rights, powers, claims, consents, contracts, warranties, security, guarantees, indemnities or covenants for title in respect of that asset;

"Restricted Property" means:

- (a) any leasehold property held by a Chargor under a lease which precludes either absolutely or conditionally that Chargor from creating a charge over its leasehold interest in that property and in respect of which consent has not yet been obtained;
- (b) any property comprising a Rack Rent Lease;
- (c) any other lease or licence with a remaining term of less than 25 years; and
- (d) any lease or licence with a capital value of less than £10,000,000 (or its equivalent in other currencies);

"Secured Obligations" means all present and future liabilities and obligations at any time due, owing or incurred by any Obligor to any Secured Party under any Senior Finance Document, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity except for any money or liability which, if it were so included, would cause the infringement of section 678 or 679 of the Companies Act 2006;

"Secured Parties" means the Senior Finance Parties (including any Hedge Counterparty and any person who accedes to the Senior Facilities Agreement as a Senior Finance Party) and any Receiver or Delegate, but, in the case of each Senior Finance Party, only if it is a party to the Intercreditor Agreement or has acceded to the Intercreditor Agreement in the appropriate capacity, pursuant to clause 19.9 (Creditor Accession Undertaking) of the Intercreditor Agreement;

"Security Accession Deed" means a deed executed by a member of the Group substantially in the form set out in schedule 6 (Form of Security Accession Deed);

"Senior Facilities Agreement" means the facilities agreement made inter alia between the Parent, the Company and others dated on or about the date of this deed;

"Senior Finance Documents" means the Finance Documents as defined in the Senior Facilities Agreement (including any Hedging Agreements);

"Senior Finance Parties" means the Finance Parties as defined in the Senior Facilities Agreement (including any Hedge Counterparty); and

"Subsidiary Shares" means all shares owned by a Chargor in its Subsidiaries including the shares in the Excluded Dormant Subsidiaries, the shares in the Excluded Reorganisation Subsidiaries and the shares (if any) listed in schedule 2 (Subsidiary Shares) or in any Security Accession Deed.

1.2 Construction

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

- (i) words and expressions defined in the Senior Facilities Agreement have the same meanings when used in this deed unless otherwise defined in this deed;
- (ii) the principles of construction contained in clause 1.2 (Construction) of the Senior Facilities Agreement apply equally to the construction of this deed, except that references to the Senior Facilities Agreement will be construed as references to this deed;
- (iii) **"assets"** includes present and future properties, revenues and rights of every description;
- (iv) any **"Chargor"**, any **"Secured Party"** or any other person shall be construed so as to include its successors in title, permitted assignees and transferees and, in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Senior Finance Documents;
- (v) this **"deed"** includes any Security Accession Deed;
- (vi) **"including"** means including without limitation and **"includes"** and **"included"** shall be construed accordingly;
- (vii) **"losses"** includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and **"loss"** shall be construed accordingly;
- (viii) a **"person"** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or any two or more of the foregoing;
- (ix) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (x) a **"Senior Finance Document"** or any other agreement or instrument is a reference to that agreement or instrument as amended, novated, supplemented, extended, restated or replaced;
- (xi) a provision of law is a reference to that provision as amended or re-enacted; and
- (xii) any clause or schedule is a reference to, respectively, a clause of and schedule to this deed and any reference to this deed includes its schedules.

- (b) Section, clause and schedule heading are for ease of reference only.
- (c) The terms of the documents under which the Secured Obligations arise and of any side letters between any Chargor and any Secured Party relating to the Secured Obligations are incorporated in this deed to the extent required for any purported disposition of any Property contained in this deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (d) The parties intend that this document shall take effect as a deed, notwithstanding the fact that a party may only execute it under hand.

1.3 **Third Party Rights**

- (a) Any Receiver or Delegate will have the right to enforce the provisions of this deed which are given in its favour however the consent of a Receiver or Delegate is not required for the rescission or variation of this deed.
- (b) Subject to paragraph (a), a person who is not a party to this deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this deed.

2. **COVENANT TO PAY**

Subject to any limits on its liability specifically recorded in the Senior Finance Documents, each Chargor as primary obligor covenants with the Security Agent (for the benefit of itself and the other Secured Parties) that it will on demand pay and discharge the Secured Obligations when they fall due for payment in accordance with the terms of the Finance Documents.

The covenant contained in this clause and the security created by this Debenture shall not extend to or include any liability or sum which would otherwise cause any such covenant or security to be unlawful or prohibited by any applicable law.

3. **CHARGING CLAUSE**

3.1 **Fixed Charges**

Each Chargor, as security for the payment and discharge of the Secured Obligations, charges in favour of the Security Agent with full title guarantee all of its right, title and interest in the following assets, both present and future, from time to time owned by it or in which it has an interest and, in each case, all Related Rights by way of first fixed charge:

- (a) with the exception of any Restricted Property, all interests in any Property;
- (b) the proceeds of sale of its Property and all licenses to enter or use any Property;
- (c) all Subsidiary Shares;
- (d) all Investments (other than Subsidiary Shares);
- (e) all Equipment;
- (f) all Book Debts;
- (g) all Material Intellectual Property;
- (h) its goodwill and uncalled capital; and

- (i) to the extent not effectively assigned by clause 3.2 (Security Assignment):
 - (i) the Assigned Agreements;
 - (ii) the Bank Accounts, all monies from time to time standing to the credit of each Bank Account and the debt represented by each Bank Account;
 - (iii) the Material Insurance Policies; and
 - (iv) the Hedging Agreements.

3.2 **Security Assignment**

- (a) As further security for the payment and discharge of the Secured Obligations, each Chargor assigns absolutely with full title guarantee in favour of the Security Agent all its right, title and interest in the following assets, both present and future, and, in each case, all Related Rights:
 - (i) the Assigned Agreements;
 - (ii) the Bank Accounts, all monies from time to time standing to the credit of each Bank Account and the debt represented by each Bank Account;
 - (iii) the Material Insurance Policies; and
 - (iv) the Hedging Agreements,

provided that on payment or discharge in full of the Secured Obligations the Security Agent will at the request and cost of the relevant Chargor re-assign the relevant rights, title and interest in the assigned assets to that Chargor (or as it shall direct).
- (b) Each Chargor shall remain liable to perform all its obligations under each Material Insurance Policy to which it is a party.
- (c) Notwithstanding the other terms of this clause 3.2, prior to the occurrence of a Declared Default, each Chargor may, subject to the other terms of the Finance Documents, continue to exercise all and any of its rights under and in connection with the Material Insurance Policies.

3.3 **Fixed Security**

Clause 3.1 (Fixed Charges) and clause 3.2 (Security Assignment) shall be construed as creating a separate and distinct fixed charge or security assignment over each relevant asset within any particular class of assets specified in this deed. Any failure to create effective fixed security (for whatever reason) over an asset shall not affect the fixed nature of the security on any other asset, whether within the same class of assets or not.

3.4 **Floating Charge**

As further security for the payment and discharge of the Secured Obligations, each Chargor charges with full title guarantee in favour of the Security Agent by way of first floating charge all its present and future assets not effectively charged by way of fixed charge under clause 3.1 (Fixed Charges) or assigned under clause 3.2 (Security Assignment).

3.5 **Conversion of Floating Charge**

- (a) Subject to paragraph (b) below, if:
 - (i) a Declared Default has occurred; or

- (ii) in the opinion of the Security Agent any legal process or execution is being enforced against any Floating Charge Asset or that any Floating Charge Asset is in danger of being seized or otherwise in jeopardy; or
- (iii) the Security Agent reasonably considers that an automatic crystallisation event (as described in clause 3.6 (Automatic Conversion of Floating Charge)) has occurred or is likely to occur and as such it is desirable to protect the priority of the security,

the Security Agent may, by notice to any Chargor, convert the floating charge created under this deed into a fixed charge as regards those assets which it specifies in the notice.

- (b) Subject to paragraph (c) below, the floating charge created under this deed may not be converted into a fixed charge in relation to a Chargor solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,in relation to that Chargor under Part A1 of the Insolvency Act 1986.
- (c) Paragraph (b) above does not apply if the floating charge created under this deed is a floating charge referred to in section A52(4) of Part A1 of the Insolvency Act 1986.

3.6 Automatic Conversion of Floating Charge

If:

- (a) any Chargor creates (or purports to create) any Security in breach of clause 5.2 (Negative Pledge) over any Floating Charge Asset;
- (b) any person levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset; or
- (c) any Event of Default occurs under clause 24.7 (Insolvency Proceedings) of the Senior Facilities Agreement with respect to any Chargor or any Charged Property,

the floating charge created under this deed will automatically and immediately be converted into a fixed charge over the relevant assets or, in the circumstances described in clause 3.6(c), over all of the Floating Charge Assets.

3.7 Leases Restricting Charging

There shall be excluded from the charge created by clause 3.1 (Fixed Charges) and from the operation of clause 4 (Further Assurance) any leasehold property held by a Chargor under a lease which either precludes absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over its leasehold interest in that property.

3.8 Intellectual Property Restricting Charging

There shall be excluded from the charge created by clause 3.1 (Fixed Charges) and from the operation of clause 4 (Further Assurance) any Intellectual Property in which a Chargor has an interest under any licence or other agreement which either precludes absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over its interest in that Intellectual Property.

4. **FURTHER ASSURANCE**

- (a) Subject to the Agreed Security Principles, each Chargor shall promptly (and at its own expense) do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):
 - (i) to perfect the Security created or intended to be created under or evidenced by this deed or for the exercise of any rights, powers and remedies of the Security Agent, any Receiver or the Secured Parties provided by or pursuant to this deed or by law;
 - (ii) to confer on the Security Agent or on the Secured Parties Security over any property and assets of that Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this deed; and/or
 - (iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by this deed and in accordance with the terms of this deed.
- (b) Subject to the Agreed Security Principles, each 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 Security Agent or the Secured Parties by or pursuant to this deed.

5. **UNDERTAKINGS - GENERAL**

5.1 **Duration of Undertakings**

All of the undertakings given in this deed are given from the date of this deed and for so long as any security constituted by this deed remains in force.

5.2 **Negative Pledge**

- (a) Without the prior written consent of the Security Agent, no Chargor may create or permit to subsist any Security over all or any part of the Charged Property.
- (b) Clause 5.2(a) does not apply to any Security which is permitted pursuant to the terms of the Senior Facilities Agreement.

5.3 **Disposal Restrictions**

- (a) Without the prior written consent of the Security Agent, no Chargor may 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 all or any part of the Charged Property.
- (b) Clause 5.3(a) does not apply to any disposal which is permitted pursuant to the terms of the Senior Facilities Agreement.

5.4 **Preservation of Charged Property**

- (a) Each Chargor will observe and perform in all material respects all covenants and stipulations from time to time affecting the Charged Property, make all payments, carry out all registrations or renewals and generally take all steps which are

necessary to preserve, maintain and renew when necessary or desirable all the Charged Property.

- (b) No Chargor may vary any lease, licence, contract or other document relevant to its interest in any Charged Property where such variation would have a material adverse effect on the value of the relevant Charged Property or the rights of the Secured Parties.
- (c) Each Chargor will enforce the due observance and performance of all material covenants given for its benefit in relation to the Charged Property.

5.5 Documents Relating to Charged Property

- (a) Without prejudice to any specific requirements in this deed for the delivery of documents, each Chargor will, subject to the rights of any prior encumbrancer, promptly deliver to the Security Agent all deeds and documents of title relating to the Fixed Charge Assets that are necessary to give effect to or to perfect the fixed security described in Clause 3.1 (*Fixed Charges*) and which the Security Agent from time to time reasonably requires.
- (b) The Security Agent may retain any document delivered to it under this deed for so long as any security constituted by this deed remains in force and, if for any reason it returns any document to the relevant Chargor (or its nominee) before that time, it may by notice to the relevant Chargor require that the relevant document be redelivered to it and the relevant Chargor shall promptly comply (or procure compliance) with that notice.

5.6 Power to Remedy

- (a) If a Chargor fails to comply with any of its obligations under this deed, it shall allow and irrevocably authorises the Security Agent and/or such persons as it shall nominate to take such action on behalf of that Chargor as shall be reasonably necessary to ensure that it complies with those undertakings.
- (b) Each Chargor shall within three Business Days following demand indemnify the Security Agent against any cost, loss or liability incurred by it in taking any of the steps referred to in this clause 5.

6. PROPERTY

6.1 Property Acquisitions

Each Chargor will promptly notify the Security Agent if it acquires, or enters any agreement to acquire, any interest in Property.

6.2 Leases

Each Chargor shall:

- (a) comply in all material respects with all covenants and conditions applicable to it (whether as lessor, lessee or in any other capacity) contained in any lease, licence or other document relevant to its interest in any Property;
- (b) enforce the due observance and performance of all material covenants given for its benefit in relation to any Property;
- (c) not accept any surrender of any lease of Property in respect of which it is the lessor, except as permitted by the Senior Facilities Agreement or with the prior consent of the Security Agent; and

- (d) give immediate notice to the Security Agent if it receives any notice under section 146 of the Law of Property Act 1925 or any proceedings are commenced against it for the forfeiture of any lease of any Property.

7. INVESTMENTS

7.1 Investment Acquisitions

Each Chargor will promptly notify the Security Agent if it acquires, or enters any agreement to acquire, any interest in an Investment.

7.2 Voting and Distribution Rights

- (a) Until a Declared Default occurs, the relevant Chargor may:
 - (i) receive and retain all dividends, distributions and other monies paid on or derived from the Investments; and
 - (ii) exercise all voting and other rights and powers attaching to the Investments provided that it may not exercise any such voting or other rights or powers in a manner which is reasonably likely to be prejudicial to the interests of the Secured Parties.
- (b) On and after the occurrence of a Declared Default:
 - (i) the relevant Chargor will promptly pay all dividends, distributions and other monies paid on or derived from the Investments to the Security Agent; and
 - (ii) the Security Agent may (in its sole discretion) directly or indirectly (by instruction to the relevant legal owner of the relevant Investments) exercise, refrain from exercising or disclaim any right to exercise any voting or other rights and powers attaching to the Investments. Any exercise of such voting rights may only be for the purpose of preserving the value of the security given by this deed or facilitating the realisation of it. The relevant Chargor will promptly comply with any direction given by the Security Agent in relation to the exercise of voting or other rights and powers. Any such disclaimer will confer on the relevant Chargor the authority to direct the exercise of the disclaimed right, as if a Declared Default had not occurred, in accordance with paragraph (a)(ii) above.
- (c) At any time when any Investments are registered in the name of the Security Agent or its nominee, the Security Agent will not be under any duty to ensure that any dividends, distributions or other monies payable in respect of those Investments are duly and promptly paid or received by it or its nominee, or to verify that the correct amounts are paid or received, or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of or in substitution for, any of those Investments.

7.3 Perfection of Investments Security

- (a) Subject to clauses 7.2(b) and (c) below, each Chargor will (unless otherwise agreed by the Security Agent) within five Business Days of the execution of this deed or (if later) acquisition of an Investment deposit with the Security Agent (or as it shall direct) all stock and share certificates and other documents of title relating to the Investments in which it has an interest together with stock transfer forms executed in blank and left undated on the basis that the Security Agent shall be able to hold such documents of title and stock transfer forms until the Secured Obligations have

been irrevocably and unconditionally discharged in full and shall be entitled, at any time, following the occurrence of a Declared Default, under its power of attorney given by clause 14 (Attorney) below, to date the stock transfer forms on behalf of the relevant Chargor in favour of itself or its nominee(s).

- (b) In the event that any Excluded Reorganisation Subsidiary is not dissolved or liquidated on or before the date falling six months from the date of the Commitment Letter (or such other date as the Security Agent and the Company may agree) (the "**Longstop Date**"), each relevant Chargor will within five Business Days of the Longstop Date deposit with the Security Agent (or as it shall direct) all stock and share certificates and other documents of title relating to the Investments in respect of that Excluded Reorganisation Subsidiary in which it has an interest, together with stock transfer forms executed in blank and left undated on the basis that the Security Agent shall be able to hold such documents of title and stock transfer forms until the Secured Obligations have been irrevocably and unconditionally discharged in full and shall be entitled, at any time, following the occurrence of a Declared Default, under its power of attorney given by clause 14 (Attorney) below, to date the stock transfer forms on behalf of the relevant Chargor in favour of itself or its nominee(s).
- (c) In the event that any Excluded Dormant Subsidiary recommences trading or becomes active after the date of this deed, each relevant Chargor will within five Business Days of the date on which that Excluded Dormant Subsidiary commences trading deposit with the Security Agent (or as it shall direct) all stock and share certificates and other documents of title relating to the Investments in respect of that Excluded Dormant Subsidiary in which it has an interest, together with stock transfer forms executed in blank and left undated on the basis that the Security Agent shall be able to hold such documents of title and stock transfer forms until the Secured Obligations have been irrevocably and unconditionally discharged in full and shall be entitled, at any time, following the occurrence of a Declared Default, under its power of attorney given by clause 14 (Attorney) below, to date the stock transfer forms on behalf of the relevant Chargor in favour of itself or its nominee(s).

8. **EQUIPMENT**

8.1 **Maintenance**

Each Chargor will keep all Equipment in which it has an interest comprised in the Charged Property in good and substantial repair (fair wear and tear excepted) and in good working order.

8.2 **Perfection of Equipment Security**

Each Chargor will, promptly following request by the Security Agent, securely affix to and maintain on each item of Equipment, a plaque (which is conspicuous in size and place), inscribed as below and not conceal, alter or remove such plaque or its inscription or permit it to be concealed, altered or removed:

"NOTICE OF CHARGE

This [specify nature of Equipment] and additions and ancillary equipment are subject to a first fixed charge in favour of [name of the Security Agent (as security agent)]."

9. **BOOK DEBTS**

9.1 **Collection of Book Debts**

Each Chargor will, as agent for the Security Agent, collect all Book Debts due to it, and pay the proceeds into an Operating Account forthwith on receipt and, pending that payment, hold those proceeds on trust for the Security Agent.

9.2 **Restriction on Dealings**

Without prejudice to clause 5.2 (Negative Pledge) and clause 5.3 (Disposal Restrictions) no Chargor may charge, factor, discount, assign or otherwise transfer any of the Book Debts in favour of any other person, or purport to do so unless permitted by the Senior Facilities Agreement or with the prior consent of the Security Agent.

10. **BANK ACCOUNTS**

10.1 **Perfection of Bank Account Security**

- (a) Other than in the circumstances described in paragraph (b) below, each Chargor will, promptly following the occurrence of a Declared Default:
 - (i) give notice (substantially in the form set out in schedule 5 (Form of notice to Account Banks)) to each institution with which it holds any Bank Account (each an "**Account Bank**"), of the assignments (or, to the extent not effectively assigned, first fixed charges) created by this deed over those accounts and provide evidence satisfactory to the Security Agent (acting reasonably) of the delivery of that notice; and
 - (ii) use reasonable endeavours (not involving the payment of any material costs) to procure that the recipient of each such notice acknowledges that notice substantially in the form specified in the relevant part of schedule 5 (Form of notice to Account Banks) within five Business Days of the notice having been given by the Chargor. If the relevant Chargor has used reasonable endeavours in accordance with this paragraph but has not been able to obtain an acknowledgement, its obligation in relation to obtaining an acknowledgement shall cease on the expiry of 60 days from the date of the notice.
- (b) Where the Security Agent is an Account Bank in relation to any Bank Account in existence at the time of creation of security over it by this deed, the execution of this deed by the Security Agent will be treated as acknowledgement by the Security Agent (in its capacity as Account Bank) of notice of the security created by this deed and its confirmation of the matters set out in schedule 5 (Form of notice to Account Banks).
- (c) Each Chargor shall, prior to the occurrence of a Declared Default, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Bank Account.

11. **MATERIAL INTELLECTUAL PROPERTY**

11.1 **Perfection of Material Intellectual Property Security**

Each Chargor appoints the Security Agent as its agent to apply for the Secured Parties' interest in that Chargor's Material Intellectual Property to be recorded on any of the following registers, in the Security Agent's discretion and following the occurrence of a Declared Default:

- (a) the relevant Intellectual Property register of the UK Intellectual Property Office;
- (b) the relevant Intellectual Property register of the EU Office of Harmonization for the Internal Market; and
- (c) all other national, regional and international Intellectual Property registers.

12. HEDGING AGREEMENTS AND ASSIGNED AGREEMENTS

12.1 Performance and Maintenance of Agreements

Each Chargor will:

- (a) duly perform all its obligations under the Hedging Agreements and Assigned Agreements;
- (b) enforce the due observance and performance of all material covenants given for its benefit in relation to the Hedging Agreements and Assigned Agreements; and
- (c) not make or agree to make any amendments (except of a non-material and purely administrative nature) to, waive any of its rights under, or exercise any right to terminate any of the Hedging Agreements or Assigned Agreements, except:
 - (i) (in the case of the Hedging Agreements) as permitted by the Intercreditor Agreement;
 - (ii) (in the case of the Assigned Agreements) as permitted by the Senior Facilities Agreement; or
 - (iii) (in either case) with the prior consent of the Security Agent.

12.2 Proceeds of Hedging Agreements

Each Chargor will collect all amounts payable to it under the Hedging Agreements and deal with those monies subject to any restrictions or requirements contained in the Intercreditor Agreement.

12.3 Proceeds of Assigned Agreements

Following the occurrence of a Declared Default, each Chargor will, as agent for the Security Agent, collect all amounts payable to it under the Assigned Agreements and forthwith pay those monies into:

- (a) such accounts (if any) as are required by the Senior Facilities Agreement; or
- (b) otherwise, to the Security Agent,

and, pending that payment, hold those proceeds on trust for the Security Agent.

12.4 Perfection of Agreements Security

- (a) Other than in the circumstances described in paragraph (b) below, each Chargor will, promptly following the occurrence of a Declared Default:
 - (i) give notice (substantially in the form set out in the relevant part of schedule 4 (Forms of notice to counterparties)) to the other parties to the Assigned Agreements and Hedging Agreements of the security created by this deed over its interest therein and provide evidence satisfactory to the Security Agent (acting reasonably) of the delivery of that notice; and
 - (ii) use reasonable endeavours (not involving the payment of any material costs) to procure that the recipient of each such notice acknowledges that notice substantially in the form specified in the relevant part of schedule 4 (Form of notice to counterparties) within five Business Days of the notice having been given by the Chargor. If the relevant Chargor has used reasonable endeavours in accordance with this paragraph but has not been able to obtain an

acknowledgement, its obligation in relation to obtaining an acknowledgement shall cease on the expiry of 60 days from the date of the notice.

- (b) Where a party to this deed is a counterparty to an Assigned Agreement or a Hedging Agreement in existence at the time of creation of security over it by this deed, the execution of this deed by that party (in whatever capacity) will be treated as acknowledgement by it (in its capacity as counterparty to any relevant Assigned Agreement or Hedging Agreement) of notice of the security created by this deed and its confirmation of the matters set out in part 1 of schedule 4 (Forms of notice to counterparties).

13. **MATERIAL INSURANCE POLICIES**

13.1 **Proceeds of Material Insurance Policies**

Following the occurrence of a Declared Default, each Chargor will collect all amounts payable to it under the Material Insurance Policies and forthwith pay those monies into such accounts as are required by the Senior Facilities Agreement and, pending that payment, hold those proceeds on trust for the Security Agent.

13.2 **Perfection of Material Insurance Policies Security**

- (a) Each Chargor will, promptly following the occurrence of a Declared Default:
 - (i) give notice (substantially in the form set out in the relevant part of 4 (Forms of notice to counterparties)) to the other parties to the Material Insurance Policies of the security created by this deed over its interest therein and provide evidence satisfactory to the Security Agent (acting reasonably) of the delivery of that notice, and
 - (ii) the relevant Chargor shall use reasonable endeavours (not involving the payment of any material costs) to procure that the recipient of each such notice acknowledges that notice substantially in the form specified in the relevant part of schedule 4 (Form of notice to counterparties) within five Business Days of the notice having been given by the Chargor. If the relevant Chargor has used reasonable endeavours in accordance with this paragraph but has not been able to obtain an acknowledgement, its obligation in relation to obtaining an acknowledgement shall cease on the expiry of 60 days from the date of the notice.
- (b) Subject to the rights of any prior encumbrancer, each Chargor will, promptly following request by the Security Agent, deposit with the Security Agent (or as it shall direct) all policy documents relating to the Material Insurance Policies.

14. **ATTORNEY**

Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any person nominated for the purpose by the Security Agent or any Receiver (in writing and signed by an officer of the Security Agent or Receiver) as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed to execute, deliver and perfect any deed, agreement or other instrument and to do any act or thing:

- (a) which that Chargor is required to do by the terms of this deed and it has failed to do within five Business Days following a request from the Security Agent to undertake such action; and/or
- (b) (following a Declared Default) which any attorney may in its absolute discretion deem necessary or appropriate for carrying out any obligation of the Chargor under or

pursuant to this deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this deed or by law,

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

15. **ENFORCEMENT**

15.1 **Exercise of Enforcement Powers**

At any time after a Declared Default has occurred or notice demanding payment of any sum which is then due but unpaid in respect of the Secured Obligations has been given by the Security Agent or any other Secured Party to any Chargor:

- (a) the security created by or pursuant to this deed is immediately enforceable;
- (b) the Security Agent may enforce all or any part of the security and take possession of and hold, sell or otherwise dispose and/or deal with all or any part of the Charged Property; and
- (c) the Security Agent may exercise the power of sale and all other rights and powers conferred by this deed or by statute (as varied or extended by this deed) on the Security Agent or on a Receiver, irrespective of whether the Security Agent has taken possession or appointed a Receiver of the Charged Property.

15.2 **Appointment of Receiver or Administrator**

- (a) Subject to paragraph (d) and (e) below, if:
 - (i) a Declared Default has occurred;
 - (ii) notice demanding payment of any sum which is then due but unpaid in respect of the Secured Obligations has been given by the Security Agent or any other Secured Party to any Chargor; or
 - (iii) so requested by the relevant Chargor,the Security Agent may by writing under hand appoint any person (or persons) to be a Receiver of all or any part of the Charged Property.
- (b) Section 109(1) of the Law of Property Act 1925 shall not apply to this deed.
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created by this deed.
- (d) The Security Agent shall be entitled to appoint a Receiver save to the extent prohibited by section 72A of the Insolvency Act 1986.
- (e) A Receiver may not be appointed solely by reason of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986 in relation to a Chargor, other than in respect of a floating charge referred to in section A52(4) of Part A1 of the Insolvency Act 1986.

15.3 **Appropriation**

- (a) In this deed, "**financial collateral**" has the meaning given to that term in the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226).
- (b) If:

- (i) a Declared Default has occurred; or
- (ii) notice demanding payment of any sum which is due but unpaid in respect of the Secured Obligations has been given by the Security Agent or any other Secured Party to any Chargor,

the Security Agent may appropriate all or part of the financial collateral in or towards satisfaction of the Secured Obligations.

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

16. EXTENSION AND VARIATION OF STATUTORY POWERS

16.1 Statutory Powers

The powers conferred on mortgagees, receivers or administrative receivers by statute shall apply to the security created by this deed, unless they are expressly or impliedly excluded. If there is ambiguity or conflict between the powers conferred by statute and those contained in this deed, those contained in this deed shall prevail.

16.2 Section 101 LPA Powers

The power of sale and other powers conferred by section 101 of the Law of Property Act 1925 shall arise on the date of this deed and for that purpose the Secured Obligations are deemed to have fallen due on the date of this deed.

16.3 Powers of Leasing

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

16.4 Restrictions Disapplied

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

17. STATUS, POWERS, REMOVAL AND REMUNERATION OF RECEIVER

17.1 Receiver as Agent

Each Receiver shall be the agent of the relevant Chargor which shall be solely responsible for his or her acts or defaults, and for his or her remuneration and expenses, and be liable

on any agreements or engagements made or entered into by him or her. The Security Agent will not be responsible for any misconduct, negligence or default of a Receiver.

17.2 Powers of Receiver

Each Receiver appointed under this deed shall have all the powers conferred from time to time on receivers by the Law of Property Act 1925 and the Insolvency Act 1986 (each of which is deemed incorporated in this deed), so that the powers set out in schedule 1 to the Insolvency Act 1986 shall extend to every Receiver, whether or not an administrative receiver. In addition, notwithstanding any liquidation of the relevant Chargor, each Receiver shall have power to:

- (a) develop, reconstruct, amalgamate or diversify any part of the business of the relevant Chargor;
- (b) enter into or cancel any contracts on any terms or conditions;
- (c) incur any liability on any terms, whether secured or unsecured, and whether to rank for payment in priority to this security or not;
- (d) let or lease or concur in letting or leasing, and vary the terms of, determine, surrender leases or tenancies of, or grant options and licences over, or otherwise deal with, all or any of the Charged Property, without being responsible for loss or damage;
- (e) establish subsidiaries to acquire interests in any of the Charged Property and/or arrange for those subsidiaries to trade or cease to trade and acquire any of the Charged Property on any terms and conditions;
- (f) make and effect all repairs, renewals and improvements to any of the Charged Property and maintain, renew, take out or increase insurances;
- (g) exercise all voting and other rights attaching to the Investments and stocks, shares and other securities owned by the relevant Chargor and comprised in the Charged Property;
- (h) redeem any prior Security on or relating to the Charged Property and settle and pass the accounts of the person entitled to that prior Security, so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver;
- (i) appoint and discharge officers and others for any of the purposes of this deed and/or to guard or protect the Charged Property upon terms as to remuneration or otherwise as he may think fit;
- (j) settle any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the relevant Chargor or relating to any of the Charged Property;
- (k) implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on any Property comprised in the Charged Property;
- (l) purchase or acquire any land or any interest in or right over land;
- (m) exercise on behalf of the relevant Chargor all the powers conferred on a landlord or a tenant by any legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the Property; and

- (n) do all other acts and things (including signing and executing all documents and deeds) as the Receiver considers to be incidental or conducive to any of the matters or powers in this clause 17.2, or otherwise incidental or conducive to the preservation, improvement or realisation of the Charged Property, and use the name of the relevant Chargor for all such purposes,

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

17.3 Removal of Receiver

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

17.4 Remuneration of Receiver

The Security Agent may from time to time fix the remuneration of any Receiver appointed by it. Sections 109(6) and 109(8) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this deed.

17.5 Several Receivers

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

18. PROTECTION OF THIRD PARTIES

18.1 No Obligation to Enquire

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

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

18.2 Receipt Conclusive

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

19. PROTECTION OF SECURITY AGENT AND RECEIVER

19.1 Role of Security Agent

The provisions set out in clause 28 (Role of the Agent, the Security Agent and the Arrangers) of the Senior Facilities Agreement and clause 18 (The Security Agent) of the Intercreditor Agreement shall govern the rights, duties and obligations of the Security Agent under this deed.

19.2 Delegation

The Security Agent may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by it under this deed to any person or persons upon such terms and conditions (including the power to sub-delegate) as it may think fit. The Security Agent will not be liable or responsible to any Chargor or any other person for any losses arising from any act, default, omission or misconduct on the part of any Delegate.

19.3 No Liability

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

19.4 Possession of Charged Property

Without prejudice to clause 19.3 (No Liability), if the Security Agent or any Delegate enters into possession of the Charged Property, it will not be liable to account as mortgagee in possession and may at any time at its discretion go out of such possession.

20. APPLICATION OF ENFORCEMENT PROCEEDS**20.1 Order of Application**

All proceeds of enforcement (whether cash or non-cash) received or recovered by the Security Agent or any Receiver pursuant to this deed shall (subject to the claims of any person having prior rights thereto) be applied in the order and manner specified by the Intercreditor Agreement notwithstanding any purported appropriation by any Chargor.

20.2 Suspense Account

- (a) Until the Secured Obligations are paid in full, each Secured Party may place and keep (to the extent possible and for such time as it shall determine) any recoveries or other proceeds of enforcement (whether cash or non-cash) received pursuant to this deed or otherwise on account of any Chargor's liability in respect of the Secured Obligations in an interest bearing separate suspense account, without having any obligation to apply all or any part of the same in or towards discharge of the Secured Obligations.
- (b) If the security created by this deed is enforced at a time when no amount is due under the Senior Finance Documents but at the time when amounts may or will become due, a Secured Party may pay any recoveries or other proceeds of enforcement into a suspense account.

21. PROTECTION OF SECURITY**21.1 Continuing Security**

This security is to be a continuing security notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or any other matter or thing.

21.2 Other Security

- (a) This security is to be in addition to and shall neither be merged in nor in any way exclude or prejudice or be affected by any other security or other right which the Security Agent or any other Secured Party may now or after the date of this deed hold for any of the Secured Obligations.

- (b) This security may be enforced against each Chargor without first having recourse to any other rights of the Security Agent or any other Secured Party.

21.3 Cumulative Powers

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

21.4 Amounts Avoided

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

21.5 Discharge Conditional

If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or other Obligor, or in respect of any security for those obligations or otherwise) is made by a Secured Party in whole or in part on the basis 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 each Chargor under this deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

21.6 Waiver of Defences

The obligations of each Chargor under this deed will not be affected by an act, omission, matter or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this deed (without limitation and whether or not known to it or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any person;
- (b) the release of any person under the terms of any composition or arrangement;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Senior Finance Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Senior Finance Document or any other document or security; or

- (g) any insolvency or similar proceedings.

21.7 **Non-competition**

Until all amounts which may be or become payable in respect of the Secured Obligations have been irrevocably paid in full and unless the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this deed or by reason of any amounts being payable, or liability arising under this deed:

- (a) to claim any right of indemnity or contribution in respect of any payment made or other satisfaction of that Chargor's liability under this deed;
- (b) to take the benefit (whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Senior Finance Documents; and/or
- (c) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

Each Chargor shall hold any benefit, payment or distribution received by it contrary to this clause 21.7 on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with clause 20 (Application of Enforcement Proceeds).

21.8 **Release of Right of Contribution**

If any Chargor (a "**Retiring Chargor**") ceases to be a Chargor in accordance with the terms of the Senior Finance Documents for the purpose of any sale or other disposal of that Chargor, then on the date such Chargor ceases to be a Chargor:

- (a) that Chargor is released by each other Chargor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Chargor arising by reason of the performance by any other Chargor of its obligations under the Senior Finance Documents; and
- (b) each other Chargor waives any rights it may have by reason of the performance of its obligations under the Senior Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under any Senior Finance Document or of any other security taken pursuant to, or in connection with, any Senior Finance Document where such rights or security are granted by or in relation to the assets of the Retiring Chargor.

21.9 **Subsequent Security - Ruling-off Accounts**

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

21.10 **Redemption of Prior Charges**

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

Agent all principal monies and interest and all losses incidental to any such redemption or transfer.

22. **NOTICES**

Any communication under this deed or any other Security or Finance Document created by or under this deed, shall be made and given in accordance with the terms of clause 34 (Notices) of the Senior Facilities Agreement.

23. **CHANGES TO PARTIES**

23.1 **Assignment by the Security Agent**

Each Finance Party may at any time assign or otherwise transfer all or any part of its rights under this deed in accordance with the Senior Finance Documents.

23.2 **Changes to Parties**

Each Chargor authorises and agrees to changes to parties under clause 25 (Changes to the Lenders) and clause 27 (Changes to the Obligors) of the Senior Facilities Agreement and clause 19 (Changes to the Parties) of the Intercreditor Agreement and authorises the Security Agent to execute on its behalf any document required to effect the necessary transfer of rights or obligations contemplated by those provisions.

23.3 **Consent of Chargors**

Each Chargor consents to the accession to this deed of additional Chargors and agrees that any such accession will in no way prejudice the Security granted by it, or affect the covenants given by it, in this deed.

24. **CURRENCY**

24.1 **Conversion**

All monies received or held by the Security Agent or any Receiver under this deed may be converted into any other currency which the Security Agent considers necessary to discharge any obligations and liabilities comprised in the Secured Obligations in that other currency at a market rate of exchange then prevailing.

24.2 **No Discharge**

No payment to the Security Agent (whether under any judgment or court order or otherwise) shall discharge any obligation or liability in respect of which it was made unless and until the Security Agent has received payment in full in the currency in which the obligation or liability is payable or, if the currency of payment is not specified, was incurred. To the extent that the amount of any such payment shall on actual conversion into that currency fall short of that obligation or liability expressed in that currency, the Security Agent shall have a further separate cause of action in relation to the shortfall and shall be entitled to enforce the security constituted by this deed to recover that amount.

25. **MISCELLANEOUS**

25.1 **Certificates Conclusive**

Clause 35.2 (*Certificates and determinations*) of the Senior Facilities Agreement shall apply to this deed as if set out here in full but so that references to the Finance Documents shall be construed as references to this deed and any Security created by or under it and references to the Finance Parties shall be construed as references to the Security Agent.

25.2 Invalidity of any Provision

Clause 36 (Partial Invalidity) of the Senior Facilities Agreement shall apply to this deed as if set out here in full but so that references to the Finance Documents shall be construed as references to this deed and any Security created by or under it.

25.3 Counterparts

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

25.4 Failure to Execute

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

25.5 Covenant to Release

Once all the Secured Obligations have been paid in full and none of the Security Agent nor any Secured Party has any actual or contingent liability to advance further monies to, or incur liability on behalf of, any member of the Group, the Security Agent and each Secured Party shall, at the request and cost of each Chargor, take any action which is necessary to release the Charged Property from the security constituted by this deed.

25.6 Further Advances

Subject to the terms of the Senior Facilities Agreement, the Lenders are under an obligation to make further advances (which obligation is deemed to be incorporated into this deed) and this security has been made for securing those further advances.

26. GOVERNING LAW AND JURISDICTION

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

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

SCHEDULE 1

Chargors







Name	Registered Number
Bestway Healthcare Holdings Limited	14598713
Bestway Healthcare Finco Limited	14598687
Bestway Panacea Holdings Limited	09225479
Bestway Pharmacy NDC Limited	01050265
Bestway National Chemists Limited	09225457
Bestway Panacea Healthcare Limited	09225514
Donald Wardle and Son Limited	02914910











SCHEDULE 2**Subsidiary Shares**















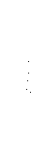





Chargor	Subsidiary	Number and class of shares	Details of nominees (if any) holding legal title to shares
Bestway Healthcare Holdings Limited	Bestway Healthcare Finco Limited	3 ordinary shares of £1.00 each	N/A
Bestway Healthcare Finco Limited	Bestway Panacea Holdings Limited	100 ordinary shares of £1.00 each	N/A
Bestway Panacea Holdings Limited	Bestway Pharmacy NDC Limited	2,777,276 ordinary shares of £0.25 each	N/A
Bestway Pharmacy NDC Limited	Donald Wardle and Son Limited	50,000 ordinary shares of £1.00 each	N/A
Bestway Panacea Holdings Limited	Bestway Panacea Healthcare Limited	100 ordinary shares of £1.00 each	N/A
Bestway Panacea Holdings Limited	Bestway National Chemists Limited	98,181,458 ordinary shares of £1.00 each	N/A
Bestway Panacea Healthcare Limited	Bestway National Chemists Limited	24,115,652 ordinary shares of £1.00 each	N/A
Bestway National Chemists Limited	Frosts Group Limited	838,000 A ordinary shares of £1.00 each	N/A
		838,000 B ordinary shares of £1.00 each	
		838,000 C ordinary shares of £1.00 each	
Bestway National Chemists Limited	L&P 244 Limited	2 ordinary shares of £1.00 each	N/A

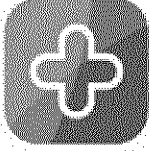
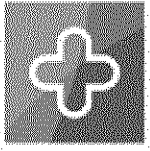

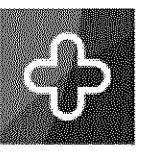


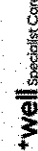



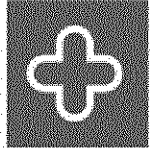
SCHEDULE 3

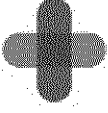
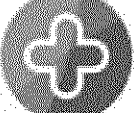


Material Intellectual Property

Mark	Category	Proprietor	Country	Class(es)	Status	Filing Date	Reg. Date	Renewal Date	App. No.	Reg. No.	File No.
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	3 4 5 8 9 10 11 12 14 16 18 20 21 24 26 28 35 39 41 44	REGISTERED	02-Jul-2014	06-Feb-2015	02-Jul-2024	UK00003062524	UK00003062524	167917.GB.01
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	3 4 5 8 9 10 11 12 14 16 18 20 21 24 26 28 35 39 41 44	REGISTERED	02-Jul-2014	06-Feb-2015	02-Jul-2024	UK00003062537	UK00003062537	167918.GB.01
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	3 4 5 8 9 10 11 12 14 16 18 20 21 24 26 28 35 39 41 44	REGISTERED	18-Feb-2015	24-Jul-2015	18-Feb-2025	UK00003095031	UK00003095031	170829.GB.01
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	3 4 5 8 9 10 11 12 14 16 18 20 21 24 26 28 35 39 41 44	REGISTERED	18-Feb-2015	30-Dec-2016	18-Feb-2025	UK00003095026	UK00003095026	170827.GB.01
	Series of Marks	Bestway Panacea Holdings Limited	United Kingdom	5 10 35 39 40 42 44	REGISTERED	30-Jul-2015	01-Jan-2016	30-Jul-2025	UK00003120205	UK00003120205	174547.GB.01
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	9 44	REGISTERED	02-Nov-2015	26-Feb-2016	02-Nov-2025	UK00003134322	UK00003134322	177854.GB.01

Mark	Category	Proprietor	Country	Class(es)	Status	Filing Date	Reg. Date.	Renewal Date	App. No.	Reg. No.	File No.
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	39 44	REGISTERED	02-Nov-2015	14-Oct-2016	02-Nov-2025	UK00003134319	UK00003134319	177856.GB.01
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	9 44	REGISTERED	03-Nov-2015	04-Mar-2016	03-Nov-2025	UK00003134491	UK00003134491	178010.GB.01
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	39 44	REGISTERED	03-Nov-2015	14-Oct-2016	03-Nov-2025	UK00003134486	UK00003134486	178011.GB.01
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	3 5 10 26	REGISTERED	09-Aug-2017	01-Dec-2017	09-Aug-2027	UK00003249165	UK00003249165	189766.GB.01
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	3 5 8 9 10 21 35 39 44	REGISTERED	20-Aug-2018	14-Dec-2018	20-Aug-2028	UK00003332695	UK00003332695	196743.GB.01
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	3 4 5 8 9 10 11 12 14 16 18 20 21 24 26 28 35 39 40 41 42 44	REGISTERED	04-Feb-2019	21-Jun-2019	04-Feb-2029	UK00003372432	UK00003372432	199874.GB.01
											
											
											
											

Mark	Category	Proprietor	Country	Class(es)	Status	Filing Date	Reg. Date.	Renewal Date	App. No.	Reg. No.	File No.
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	3 4 5 8 9 10 11 12 14 16 18 20 21 24 26 28 35 39 40 41 42 44	REGISTERED	04-Feb-2019	07-Jun-2019	04-Feb-2029	UK00003372443	UK00003372443	199898.GB.01
											
											
											
											
	Series of Logos	Bestway Panacea Holdings Limited	United Kingdom	3 4 5 8 9 10 11 12 14 16 18 20 21 24 26 28 35 39 40 41 42 44	REGISTERED	04-Feb-2019	07-Jun-2019	04-Feb-2029	UK00003372458	UK00003372458	199914.GB.01
											
											
											
											
	Series of Marks	Bestway Panacea Holdings Limited	United Kingdom	9 35 39 44	REGISTERED	04-Feb-2019	21-Feb-2020	04-Feb-2029	UK00003372535	UK00003372535	199915.GB.01
											
											
											
											
	Series of Marks	Bestway Panacea Holdings Limited	United Kingdom	9 35 39 44	REGISTERED	04-Feb-2019	21-Feb-2020	04-Feb-2029	UK00003372535	UK00003372535	199915.GB.01
											
											
											
											

Mark	Category	Proprietor	Country	Class(es)	Status	Filing Date	Reg. Date.	Renewal Date	App. No.	Reg. No.	File No.
	Series of Marks	Bestway Panacea Holdings Limited	United Kingdom	9 35 39 44	REGISTERED	04-Feb-2019	21-Feb-2020	04-Feb-2029	UK00003372546	UK00003372546	199917.GB.01
											
											
											
     	Series of Marks	Bestway Panacea Holdings Limited	United Kingdom	3 4 5 8 9 10 11 12 14 16 18 20 21 24 26 28 35 39 40 41 42 44	REGISTERED	04-Feb-2019	07-Jun-2019	04-Feb-2029	UK00003372562	UK00003372562	199918.GB.01
	Colour Device	Bestway Panacea Holdings Limited	United Kingdom	3 4 5 8 9 10 11 12 14 16 18 20 21 24 26 28 35 39 40 41 42 44	REGISTERED	22-Mar-2019	21-Feb-2020	22-Mar-2029	UK00003385865	UK00003385865	205980.GB.01

Mark	Category	Proprietor	Country	Class(es)	Status	Filing Date	Reg. Date.	Renewal Date	App. No.	Reg. No.	File No.
	Colour Device (Colour Device)	Bestway Panacea Holdings Limited	United Kingdom	9 35 39 44	REGISTERED	22-Mar-2019	21-Feb-2020	22-Mar-2029	UK00003385869	UK00003385869	205981.GB.01
	Series of Marks	Bestway Panacea Holdings Limited	United Kingdom	9 35 39 44	REGISTERED	27-Mar-2019	21-Feb-2020	27-Mar-2029	UK00003387103	UK00003387103	206086.GB.01
											
	Series of Marks	Bestway Panacea Holdings Limited	United Kingdom	5 9 10 35 39 44	REGISTERED	06-Jul-2020	23-Oct-2020	06-Jul-2030	UK00003508670	UK00003508670	227811.GB.01
DERMAWELL	Word	Bestway Panacea Holdings Limited	United Kingdom	3 5	REGISTERED	05-May-2017	18-Jan-2019	05-May-2027	UK00003229058	UK00003229058	187454.GB.01

SCHEDULE 4

Forms of notice to counterparties

Part 1

Form of notice to counterparties of Assigned Agreements/Hedging Agreements

To: **[insert name and address of counterparty]**

Dated: ●

Re: [here identify the relevant Assigned Agreement/Hedging Agreement] (the "Agreement")

We notify you that **[insert name of Chargor]** (the "**Chargor**") has assigned to **[insert name of Security Agent]** (the "**Security Agent**") for the benefit of itself and certain other parties (the "**Secured Parties**") all its right, title and interest in the Agreement as security for certain obligations owed by the Chargor and others to the Secured Parties pursuant to a debenture dated [●] (the "**Debenture**").

We further notify you that a Declared Default (as defined in the Debenture) has occurred and therefore with effect from your receipt of this notice we irrevocably and unconditionally authorise and instruct you to:

1. deal only with the Security Agent or comply only with any instructions from time to time received by you from the Security Agent in relation to the Agreement, without notice or reference to or further authority from us and without enquiring as to the justification or the validity of those instructions;
2. disclose information in relation to the Agreement to the Security Agent on request; and
3. pay all monies to which the Chargor is entitled under the Agreement direct to the Security Agent (and not to the Chargor) unless the Security Agent otherwise agrees in writing.

The provisions of this notice may only be revoked with the written consent of the Security Agent.

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to the Chargor) by way of confirmation that:

- (a) you agree to the terms set out in this notice and to act in accordance with its provisions;
- (b) you have not received notice that the Chargor has assigned or charged its rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party; and

- (c) you have not claimed or exercised, nor do you have any outstanding right to claim or exercise against the Chargor any right of set-off, counter-claim or other right relating to the Agreement.

The provisions of this notice are governed by English law.

Yours faithfully

.....
Name:
for and on behalf of
[insert name of Chargor]

[On acknowledgement copy]

To: [insert name and address of Security Agent]

Copy to: [insert name and address of Chargor]

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

.....
Name:
for and on behalf of
[insert name of Counterparty]

Dated: ●

Part 2

Form of notice to insurers

To: **[insert name and address of insurance company]**

Dated: ●

Re: [here identify the relevant insurance policy(ies)] (the "Policies")

We notify you that **[insert name of Chargor]** (the "**Chargor**") has assigned to **[insert name of Security Agent]** (the "**Security Agent**") for the benefit of itself and certain other parties (the "**Secured Parties**") all its right, title and interest in the benefits arising under the Policies (including rights of recovery and proceeds) as security for certain obligations owed by the Chargor and others to the Secured Parties pursuant to a debenture dated [●] (the "**Debenture**"). The Chargor remains the insured person under the Policies.

We further notify you that a Declared Default (as defined in the Debenture) has occurred and therefore with effect from your receipt of this notice we irrevocably and unconditionally authorise and instruct you to:

1. deal only with the Security Agent or comply only with any instructions from time to time received by you from the Security Agent in relation to the Policies, without notice or reference to or further authority from us and without enquiring as to the justification or the validity of those instructions; and
2. disclose information in relation to the Policies to the Security Agent on request.

The provisions of this notice may only be revoked with the written consent of the Security Agent.

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to the Chargor) by way of confirmation that:

- (a) you agree to act in accordance with the provisions of this notice;
- (b) you have not received notice that the Chargor has assigned or charged its rights under the Policies to a third party or created any other interest (whether by way of security or otherwise) in the Policies in favour of a third party; and
- (c) you have not claimed or exercised nor do you have any outstanding right to claim or exercise against the Chargor, any right of set-off, counter-claim or other right relating to the Policies.

The provisions of this notice are governed by English law.

Yours faithfully

.....
Name:
for and on behalf of
[insert name of Chargor]

[On acknowledgement copy]

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

Copy to: **[insert name and address of Chargor]**

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

.....

Name:

for and on behalf of

[insert name of insurance company]

Dated: ●

SCHEDULE 5**Form of notice to Account Banks**

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

Dated: ●

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

We notify you that the companies identified in the schedule to this notice (together with the Parent (as defined in the Debenture), the "**Customers**") have charged in favour of **[insert name of Security Agent]** (the "**Security Agent**") for the benefit of itself and certain other parties all their right, title and interest in and to the monies from time to time standing to the credit of the accounts identified in the schedule to this notice (the "**Charged Accounts**") and to all interest (if any) accruing on the Charged Accounts pursuant to a debenture dated [●] (the "**Debenture**").

We further notify you that a Declared Default (as defined in the Debenture) has occurred and therefore with effect from your receipt of this notice we irrevocably and unconditionally authorise and instruct you:

1. to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Agent and to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect; and
2. to disclose to the Security Agent any information relating to the Customers and the Charged Accounts which the Security Agent may from time to time request you to provide.
3. We also advise you that:
 - (a) by counter-signing this notice the Security Agent confirms that the Customers may not make withdrawals from the Charged Accounts until such time as the Security Agent shall notify you in writing that their permission is granted. That permission may be granted or modified by the Security Agent in its absolute discretion at any time; and
 - (b) the provisions of this notice may only be revoked or varied with the prior written consent of the Security Agent.
4. Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to the Parent) by way of your confirmation that:
 - (a) you agree to act in accordance with the provisions of this notice;
 - (b) you have not received notice that any Customer has assigned or charged its rights to the monies standing to the credit of the Charged Accounts or otherwise granted any security or other interest over those monies in favour of any third party;
 - (c) you will not exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts, except for the netting of credit and debit balances pursuant to current

account netting arrangements previously approved in writing by the Security Agent;
and

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

The provisions of this notice are governed by English law.

Schedule

Customer	Account Number	Sort Code
●	●	●

Yours faithfully,

.....
Name:
for and on behalf of
[Insert name of Obligors' Agent]
as agent for and on behalf of
all of the Customers

Counter-signed by

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

[On acknowledgement copy]

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

Copy to: **[Bestway Healthcare Finco Limited]** (on behalf of all the Customers)

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

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

Dated: ●

SCHEDULE 6

Form of Security Accession Deed

**[THIS INSTRUMENT MUST BE REGISTERED AT THE COMPANIES REGISTRY
CONSIDER OTHER NECESSARY FILINGS]**

THIS SECURITY ACCESSION DEED is made on ●

BETWEEN:

- (1) ● (a company incorporated in [●] with registered number ●) (the "**New Chargor**"); and
- (2) ● as security trustee for itself and the other Secured Parties (the "**Security Agent**").

RECITAL:

This deed is supplemental to a debenture dated ● between, inter alia, the Chargors named therein and the Security Agent, as previously supplemented and amended by earlier Security Accession Deeds (if any) (the "**Debenture**").

NOW THIS DEED WITNESSES as follows:

1. INTERPRETATION

1.1 Definitions

Terms defined in the Debenture have the same meaning when used in this deed.

1.2 Construction

Clause 1.2 (Construction) of the Debenture will be deemed to be set out in full in this deed, but as if references in that clause to the Debenture were references to this deed.

2. ACCESSION OF NEW CHARGOR

2.1 Accession

The New Chargor agrees to be a Chargor for the purposes of the Debenture with immediate effect and agrees to be bound by all of the terms of the Debenture as if it had originally been a party to it as a Chargor.

2.2 Covenant to Pay

Subject to any limits on its liability specifically recorded in the Senior Finance Documents, the New Chargor as primary obligor covenants with the Security Agent (for the benefit of itself and the other Secured Parties) that it will pay on demand the Secured Obligations when they fall due for payment in accordance with the terms of the Finance Documents.

2.3 Fixed Charges

The New Chargor, as security for the payment and discharge of the Secured Obligations, charges in favour of the Security Agent with full title guarantee all of its right, title and interest in the following assets, both present and future, from time to time owned by it or in which it has an interest and, in each case, all Related Rights:

- (a) by way of first fixed charge:
 - (i) with the exception of any Restricted Property, all interests in the Property;

- (ii) all Subsidiary Shares (including as specified in schedule 1 (Subsidiary Shares));
- (iii) all Investments (other than the Subsidiary Shares);
- (iv) all Equipment;
- (v) all Book Debts;
- (vi) all Material Intellectual Property;
- (vii) its goodwill and uncalled capital;
- (viii) to the extent not effectively assigned by clause 2.4 (Security Assignment):
 - (A) the Assigned Agreements;
 - (B) the Bank Accounts, all monies from time to time standing to the credit of each Bank Account and the debt represented by each Bank Account;
 - (C) the Material Insurance Policies; and
 - (D) [the Hedging Agreements].

2.4 **Security Assignment**

- (a) As further security for the payment and discharge of the Secured Obligations, the New Chargor assigns absolutely with full title guarantee in favour of the Security Agent all its right, title and interest in the following assets, both present and future, and in each case, all Related Rights:
 - (i) the Assigned Agreements;
 - (ii) the Bank Accounts, all monies from time to time standing to the credit of each Bank Account and the debt represented by each Bank Account;
 - (iii) the Material Insurance Policies; and
 - (iv) [the Hedging Agreements],

provided that on payment or discharge in full of the Secured Obligations the Security Agent will at the request and cost of the New Chargor re-assign the relevant rights, title and interest in the assigned assets to the New Chargor (or as it shall direct).

- (b) The New Chargor shall remain liable to perform all its obligations under each Material Insurance Policy to which it is a party.
- (c) Notwithstanding the other terms of this clause 2.4, prior to the occurrence of a Declared Default, the New Chargor may, subject to the other terms of the Finance Documents, continue to exercise all and any of its rights under and in connection with the Material Insurance Policies.

2.5 **Fixed Security**

Clause 2.3 (Fixed Charges) and clause 2.4 (Security Assignment) shall be construed as creating a separate and distinct fixed charge or security assignment over each relevant asset within any particular class of assets specified in this deed. Any failure to create effective fixed security (for whatever reason) over an asset shall not affect the fixed nature of the security on any other asset, whether within the same class of assets or not.

2.6 **Floating Charge**

As further security for the payment and discharge of the Secured Obligations, the New Chargor charges with full title guarantee in favour of the Security Agent by way of first floating charge all its assets, both present and future, not effectively charged by way of first fixed charge under clause 2.3 (Fixed Charges) or assigned under clause 2.4 (Security Assignment) and, in each case, all Related Rights.

3. **INCORPORATION INTO DEBENTURE**

The Debenture and this deed shall be read together as one instrument on the basis that references in the Debenture to "this deed" will be deemed to include this deed.

4. **NOTICES**

The New Chargor confirms that its address details for notices in relation to clause [22] (Notices) of the Debenture are as follows:

Address: ●

Facsimile: ●

Attention: ●

5. **LAW**

This deed and any dispute, controversy, proceedings or claims of whatever nature arising out of or in any way relating to this deed (including any non-contractual disputes or claims) shall be governed by, and construed in accordance with, English law.

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

SCHEDULE 1

Subsidiary Shares

SCHEDULE 2

Material Intellectual Property

SIGNATORIES TO DEED OF ACCESSION

New Chargor

Executed as a deed by [*insert name in bold and upper case*]:)
)
)
)

Director
Name:

Director/Secretary
Name:

OR

Executed as a deed by)
[*insert name of company in bold and upper case*]:)
)
)

Signature of director

Name of director

Signature of witness

Name of witness

Address of witness

Occupation of witness

Notice Details

Address:

Facsimile:

Attention:

The Security Agent

Signed for and on behalf of [***insert
name of Security Agent in bold and
upper case***]:
)
)
)
)

Name:

Notice Details

Address:

Facsimile:
Attention:

SIGNATORIES TO DEBENTURE

Chargors

Executed as a deed by **Bestway**)
Healthcare Holdings Limited:)
)
)

Director

Name: Sebastian Hobbs

Secretary

Name: Thomas Ferguson

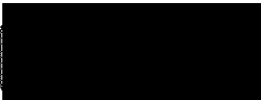
Notice Details

Address: Merchants Warehouse
Castle Street
Castlefield
Manchester
M3 4LZ

Facsimile:
Attention:

Executed as a deed by **Bestway Panacea**)
Holdings Limited:)
)
)

Director



Name: Sebastian Hobbs

Secretary




Name: Thomas Ferguson

Notice Details

Address: Merchants Warehouse
Castle Street
Castlefield
Manchester
M3 4LZ

Facsimile:
Attention:

Executed as a deed by **Bestway**)
Healthcare Finco Limited:)
)
)

Director 
Name: Sebastian Hobbs

Secretary 
Name: Thomas Ferguson

Notice Details

Address:

Facsimile:
Attention:

Executed as a deed by **Bestway**)
Pharmacy NDC Limited:)
)
)

Director



Name: Sebastian Hobbs

Secretary



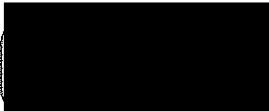
Name: Thomas Ferguson

Notice Details

Address: Merchants Warehouse
Castle Street
Castlefield
Manchester
M3 4LZ

Facsimile:
Attention:

Executed as a deed by **Bestway National Chemists Limited:**)
)
)
)

Director 
Name: Sebastian Hobbs

Secretary 
Name: Thomas Ferguson

Notice Details

Address: Merchants Warehouse
Castle Street
Castlefield
Manchester
M3 4LZ

Facsimile:
Attention:

Executed as a deed by **Bestway Panacea
Healthcare Limited:**

)
)
)
)

Director



Name: Sebastian Hobbs

Secretary



Name: Thomas Ferguson

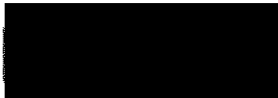
Notice Details

Address: Merchants Warehouse
Castle Street
Castlefield
Manchester
M3 4LZ

Facsimile:
Attention:

Executed as a deed by **Donald Wardle**)
and Son Limited:)
)
)

Director



Name: Sebastian Hobbs

Secretary



62C39E1B7189451...
Name: Thomas Ferguson

Notice Details

Address: Merchants Warehouse
Castle Street
Castlefield
Manchester
M3 4LZ

Facsimile:
Attention:

Security Agent

Signed for and on behalf of **Lloyds**)
Bank plc:)
)
)


Name: Michael Easton

Notice Details

Address:

Facsimile:
Attention: