



Registration of a Charge

Company name: **SWANTON CARE & COMMUNITY (GLENPATH HOLDINGS) LIMITED**
Company number: **03328213**

Received for Electronic Filing: **14/04/2016**



Details of Charge

Date of creation: **12/04/2016**
Charge code: **0332 8213 0012**
Persons entitled: **THE ROYAL BANK OF SCOTLAND PLC AS SECURITY TRUSTEE**
Brief description: **THE LAND CHARGED BY THE CHARGOR INCLUDED THE LAND AND BUILDINGS KNOWN AS EASTCLIFFE, SIDECIFFE ROAD, ROKER, SR6 9PX REGISTERED AT THE LAND REGISTRY WITH TITLE NUMBER TY140328. FOR MORE DETAILS OF LAND CHARGED PLEASE REFER TO THE CHARGING INSTRUMENT.**
Contains fixed charge(s).
Contains floating charge(s) (floating charge covers all the property or undertaking of the company).
Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **WE 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 PART OF THE CHARGING INSTRUMENT SIGNED BY OR ON BEHALF OF THE CHARGOR, AND A CORRECT COPY OF THE SIGNATURE PAGE TO EACH OTHER PART OF SUCH CHARGING INSTRUMENT.**

Certified by: **DENTONS UKMEA LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3328213

Charge code: 0332 8213 0012

The Registrar of Companies for England and Wales hereby certifies that a charge dated 12th April 2016 and created by SWANTON CARE & COMMUNITY (GLENPATH HOLDINGS) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th April 2016 .

Given at Companies House, Cardiff on 15th April 2016

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

Debenture

Dated 12 April 2016

Swanton Care & Community Limited
(the Company)

The companies listed in Schedule 1
(together with the Company, the Original Chargors)

The Royal Bank of Scotland plc
(the Security Trustee)

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Debenture

Dated **12 April 2016**

Between

- (1) **Swanton Care & Community Limited**, a company incorporated under the laws of England and Wales with registered number 05789785 having its registered office at 3 Siskin Drive, Middlemarch Business Park, Coventry CV3 4FJ;
- (2) The companies listed in Schedule 1 (*Original Chargors*) (together with the Company, the **Original Chargors**); and
- (3) **The Royal Bank of Scotland plc** as trustee for the Secured Parties (the **Security Trustee**).

Recitals

- A. The Senior Creditors have agreed to make credit facilities available on the terms of the Senior Facilities Agreement.
- B. The Chargors have agreed to provide Security to the Security Trustee (as trustee for the Secured Parties) to secure the payment and discharge of the Secured Liabilities.

This deed witnesses

1 Definitions and interpretation

1.1 Definitions

Words and expressions defined in the Intercreditor Agreement shall have the same meanings in this Debenture unless they are expressly defined in it and, in addition, in this Debenture:

Act means the Law of Property Act 1925.

Account means a Current Account, a Holding Account or a Controlled Account.

Account Bank means, in respect of each Account, the bank or other financial institution at which that Account is held.

Assigned Agreements means the Intra-Group Loan Agreements.

Authorisation means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

Charged Property means all property, assets, rights, title, interests and other assets which are the subject of the Security created under this Debenture.

Chargor means each Original Chargor and each company which grants Security over its assets in favour of the Security Trustee by executing a Security Accession Deed in accordance with Clause 21 (*Additional Chargors*).

Controlled Accounts means each of the following bank accounts in the name of a Chargor or to which it is beneficially entitled:

- (a) Swanton Care & Community Limited, account number [REDACTED] and sort code [REDACTED] and [REDACTED]
- (b) any other bank account identified in a letter between the Company and the Senior Agent as a Mandatory Prepayment Account;

Controlled Debt means any debt or moneys due or owing to a Chargor, the proceeds of which, once received by that Chargor, are or will be Controlled Proceeds.

Controlled Proceeds means any proceeds or other moneys received by a Chargor from time to time which, under the terms of the Senior Debt Documents, that Chargor must either:

- (a) apply in repayment or prepayment of the Secured Liabilities; or
- (b) pay into a Controlled Account.

Current Account means:

- (a) each account of a Chargor set out in Schedule 7 (*Current Accounts*); and
- (b) any other account which a Chargor holds with any bank or financial institution from time to time, other than a Holding Account or a Controlled Account.

Default Rate means the rate of interest specified in, and calculated in accordance with, clause 11.4 (*Default interest*) of the Senior Facilities Agreement.

Derivative Contract means any master agreement, schedule, transaction, confirmation, novation or other instrument entered into by a Chargor and a counterparty from time to time in connection with protection against or benefit from fluctuation in any rate or price.

Distribution Rights means all dividends, interest and other distributions paid or payable on or in respect of any Investments or Shares and any right to receive them.

Equipment means, in relation to a Chargor, all its fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment and the benefit of all related Authorisations, agreements and warranties.

Holding Account has the same meaning as in the Senior Facilities Agreement.

Insurance means, in relation to a Chargor, each contract or policy of insurance to which that Chargor is a party or in which it has an interest.

Intellectual Property means:

- (a) 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 (which may now or in the future subsist), whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets of each Group Company (which may now or in the future subsist).

Intercreditor Agreement means the intercreditor agreement dated on or about the same date as this Debenture and made between, among others:

- (a) the Company and the Security Trustee as security trustee; and
- (b) the Debtors, the Senior Agent, the Senior Arrangers, the Senior Lenders, the Hedge Counterparties and the Intra-Group Lenders (each as defined in the Intercreditor Agreement).

Intra-Group Loan means a loan made under an Intra-Group Loan Agreement.

Intra-Group Loan Agreement means an agreement under which a Group Company has or will make available a facility to another Group Company.

Investments means all or any stocks, shares (other than (i) any Shares and (ii) any shares in Swanton Care & Community (Southfield House Care Services) Limited (company number SC232927) which are subject to the Scots Share Charge), bonds and securities of any kind (marketable or otherwise), negotiable instruments and warrants and any other financial instruments (as defined in the Regulations).

Land has the same meaning as it has in section 205(1) of the Act.

Legally Mortgaged Property means any Land charged by way of legal mortgage by a Chargor in favour of the Security Trustee as Security for the Secured Liabilities.

Permitted Disposal has the same meaning as in the Senior Facilities Agreement.

Permitted Security has the same meaning as in the Senior Facilities Agreement.

Receiver means a receiver appointed pursuant to this Debenture or to any applicable law, whether alone or jointly, and includes a receiver and/or manager and, if the Security Trustee is permitted by law to appoint an administrative receiver, includes an administrative receiver.

Regulations means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and **Regulation** means any of them.

Repeating Representations has the same meaning as in the Senior Facilities Agreement.

Scots Share Charge has the same meaning as in the Senior Facilities Agreement.

Secured Liabilities means:

- (a) all the Liabilities; and
- (b) all other present and future liabilities and obligations,

in each case at any time due, owing or incurred by any Group Company and by each Debtor to any Secured Party under the Senior Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

Secured Parties means the Security Trustee, any Receiver or Delegate and each of the Senior Creditors from time to time but, in the case of each Senior Creditor, 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 means a mortgage, charge, pledge, lien, assignment by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect.

Security Accession Deed means a deed executed by a Group Company substantially in the form set out in Schedule 9 (*Form of Security Accession Deed*), with those amendments which the Security Trustee may approve or reasonably require.

Security Assets means, in relation to a Chargor, all of its assets which are the subject of any Security created or to be created by this Debenture.

Security Period means the period beginning on the date of this Debenture and ending on the Final Discharge Date.

Senior Debt Documents means the Senior Finance Documents, the Hedging Agreements, the Ancillary Documents and any other agreement evidencing or setting out the terms of any Secured Liabilities.

Senior Facilities Agreement means the senior facilities agreement dated on or about the date of this Debenture between, among others, the Company as borrower, the Security Trustee and the other Finance Parties (as defined in that agreement).

Shares means all shares held by a Chargor in its Subsidiaries other than any shares in Swanton Care & Community (Southfield House Care Services) Limited (company number SC232927) which are subject to the Scots Share Charge.

Standard Security has the meaning given to it in the Senior Facilities Agreement.

1.2 Construction

1.2.1 The principles of construction set out in clause 1.2 (*Construction*) of the Intercreditor Agreement shall apply to this Debenture, insofar as they are relevant to it and subject to any necessary changes, as they apply to the Intercreditor Agreement.

1.2.2 Unless a contrary intention appears, any reference in this Debenture to:

- (a) this **Debenture** is a reference to this Debenture as amended, varied, novated, supplemented and replaced from time to time;
- (b) a **Chargor**, the **Security Trustee** or any **Secured Party** includes any one or more of its assigns, transferees and successors in title (in the case of a Chargor, so far as any such is permitted);
- (c) the **Security Trustee** or any **Secured Party** (except for the references in Clause 17 (*Power of attorney*)), includes its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates;
- (d) **guarantee** means any guarantee, letter of credit, bond, indemnity, documentary or other credit or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;

- (e) the words **include(s)**, **including** and **in particular** shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding words; and
- (f) the words **other** and **otherwise** shall not be construed ejusdem generis with any preceding words where a wider construction is possible.

1.2.3 The liabilities of the Chargors under this Debenture are joint and several.

1.3 Third party rights

1.3.1 Unless expressly provided to the contrary in this Debenture, a person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 (the **Third Parties Act**) to enforce or to enjoy the benefit of any term of this Debenture.

1.3.2 The parties to this Debenture may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Debenture without the consent of any person that is not a party (without prejudice to the terms of the other Senior Debt Documents).

1.3.3 Any Secured Party or any person described in Clauses 12 (*Protection of purchasers*) or Clause 13 (*Protection of the Secured Parties*) may, subject to this Clause 1.3 (*Third party rights*) and the Third Parties Act, rely on any Clause of this Debenture which expressly confers rights on it.

1.4 Effect as a deed

This Debenture shall take effect as a deed even if it is signed under hand on behalf of the Security Trustee.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Senior Debt Documents and of any side letters between any parties in relation to any Senior Debt Document are incorporated in this Debenture to the extent required to ensure that any purported disposition of an interest in Land contained in this Debenture is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2 Covenant to pay

The Chargors covenant with the Security Trustee and the other Secured Parties that they will on demand pay and discharge the Secured Liabilities when due in accordance with the terms of the Senior Debt Documents.

3 Creation of Security

3.1 Land

Each Chargor charges:

- (a) by way of legal mortgage its interest in the Land referred to opposite its name in Schedule 2 (*Land charged by way of legal mortgage*); and

- (b) by way of fixed charge any right, title or interest which it has now or may subsequently acquire to or in any other Land (other than any real or heritable Land located in Scotland).

3.2 Shares

Each Chargor mortgages or (if or to the extent that this Debenture does not take effect as a mortgage) charges by way of fixed charge:

- (a) all Shares; and
- (b) all related Distribution Rights.

3.3 Investments

Each Chargor mortgages or (if and to the extent that this Debenture does not take effect as a mortgage) charges by way of fixed charge:

- (a) all Investments; and
- (b) all related Distribution Rights,

including those held for it by any nominee.

3.4 Equipment

Each Chargor charges by way of fixed charge all Equipment in so far as it is not charged by way of legal mortgage under Clause 3.1 (*Land*).

3.5 Controlled Debts

Each Chargor charges by way of fixed charge:

- (a) its Controlled Debts; and
- (b) all benefits, rights and Security held in respect of, or to secure the payment of, the Controlled Debts.

3.6 Controlled Accounts held with Security Trustee

3.6.1 Each Chargor charges by way of fixed charge all amounts standing to the credit of each Controlled Account held with the Security Trustee and all of its right, title and interest in and relating to each such Controlled Account.

3.6.2 Subject to Clause 3.6.3 and regardless of the terms on which moneys are credited to any Controlled Account, during the Security Period:

- (a) no amount standing to the credit of a Controlled Account will be due or accruing due, or be payable to any Chargor; and
- (b) no Chargor shall request, demand or claim to be entitled to withdraw any amount from any Controlled Account except (without prejudice to the Secured Parties' rights under this Debenture) as the Security Trustee may from time to time permit.

- 3.6.3 Clause 3.6.2 shall not apply to the extent it would prejudice any Secured Party's rights under the Senior Debt Documents to any amount standing to the credit of a Controlled Account held with the Security Trustee, including any right of a Secured Party under the Senior Debt Documents to make a withdrawal from such a Controlled Account.

3.7 Other Controlled Accounts

Each Chargor assigns absolutely all amounts standing to the credit of each Controlled Account held with a person other than the Security Trustee and all of its right, title and interest in and relating to each such Controlled Account.

3.8 Intellectual Property

Each Chargor charges by way of fixed charge all its Intellectual Property.

3.9 Goodwill

Each Chargor charges by way of fixed charge its goodwill.

3.10 Uncalled capital

Each Chargor charges by way of fixed charge its uncalled capital.

3.11 Authorisations

Each Chargor charges by way of fixed charge the benefit of all Authorisations it holds in relation to any Security Asset.

3.12 Derivative Contracts

Each Chargor charges by way of fixed charge its right to receive all moneys payable under any Derivative Contract.

3.13 Assigned Agreements

- 3.13.1 Each Chargor assigns absolutely all its rights and interests under the Assigned Agreements to which it is party.

- 3.13.2 Until a Senior Event of Default occurs, but subject to Clause 7.5 (*Assigned Agreements and Insurances*), the relevant Chargor may continue to deal with the counterparties to the relevant Assigned Agreements.

3.14 Insurances

- 3.14.1 Each Chargor assigns absolutely all its rights and interests in the Insurances.

- 3.14.2 Until a Senior Event of Default occurs, but subject to Clause 7.5 (*Assigned Agreements, Derivative Contracts and Insurances*), the Chargors may continue to deal with the counterparties to the Insurances.

3.15 Contractual rights

Each Chargor charges by way of fixed charge all its rights under all deeds and agreements to which it is a party other than:

- (a) the Assigned Agreements and Insurances which are effectively assigned by Clauses 3.13 (*Assigned Agreements*) or 3.14 (*Insurances*); and
- (b) the Derivative Contracts.

3.16 Other assets

- 3.16.1 Each Chargor charges by way of floating charge all its present and future business, undertaking and assets which are not effectively mortgaged, charged by way of fixed charge or assigned under this Clause 3 or charged under any Standard Security.
- 3.16.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by this Debenture.

3.17 Trust

- 3.17.1 Subject to Clause 3.17.2, if or to the extent that for any reason the assignment or charging of any Security Asset is ineffective because of a prohibition on that assignment or charging, the relevant Chargor holds it on trust for the Security Trustee.

- 3.17.2 If the reason referred to in Clause 3.17.1 is that:

- (a) a consent or waiver must be obtained; or
- (b) a condition must be satisfied,

then:

- (i) subject to Clause 3.17.3, the relevant Chargor shall apply for the consent or waiver; and
- (ii) that Chargor shall use all reasonable endeavours to satisfy the condition,

in each case within 14 days of the date of this Debenture or, if the Security Asset is acquired after the date of this Debenture, within 14 days of the date of acquisition.

- 3.17.3 Where the consent or waiver is not to be unreasonably withheld, the relevant Chargor shall:

- (a) use all reasonable endeavours to obtain it as soon as possible; and
- (b) keep the Security Trustee informed of the progress of the negotiations to obtain it.

- 3.17.4 On the waiver or consent being obtained, or the condition being satisfied, the Security Asset shall be mortgaged, charged or assigned (as appropriate) under this Clause 3 and, in relation to such Security Asset, the trust referred to in Clause 3.17.1 shall terminate.

4 Nature of Security created

4.1 General

The Security created under this Debenture is created:

- (a) as a continuing security to secure the payment and discharge of the Secured Liabilities;

- (b) (except in the case of assets which are the subject of a legal mortgage under this Debenture) over all present and future assets of the kind described which are owned by the relevant Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them;
- (c) in favour of the Security Trustee as trustee for the Secured Parties; and
- (d) with full title guarantee and absolute warrandice for any assets located in Scotland.

4.2 Security over Derivative Contracts

The Security created under this Debenture over any Derivative Contract shall apply net of any set-off or combination of amounts owed under, and in accordance with the terms of, that Derivative Contract.

5 Conversion of floating charge

5.1 Conversion on notice

Subject to Clause 5.2 (*Limitation*), the Security Trustee may by notice to a Chargor at any time during the Security Period convert the floating charge created by that Chargor under this Debenture into a fixed charge in respect of any Security Asset specified in that notice if:

- (a) a Senior Event of Default is continuing; or
- (b) the Security Trustee considers that Security Asset to be in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise to be in jeopardy.

5.2 Limitation

Clause 5.1 (*Conversion on notice*) shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

5.3 Automatic conversion

The floating charge created by a Chargor under this Debenture will convert automatically into fixed charges:

- (a) if the Security Trustee receives notice of an intention to appoint an administrator of that Chargor;
- (b) if any steps are taken, (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of that Chargor over all or any part of its assets, or if such person is appointed;
- (c) if that Chargor creates or attempts to create Security over all or any of the Security Assets, other than Permitted Security;
- (d) on the crystallisation of any other floating charge over the Security Assets;

- (e) if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process, or attempts to do so; and
- (f) in any other circumstances prescribed by law.

5.4 Assets in Scotland

Clauses 5.1 and 5.3 will not apply to any assets situated in Scotland or governed by Scots Law if, and to the extent that a Receiver would not be capable of exercising his powers in Scotland pursuant to Section 72 of the Insolvency Act 1986 by reason of such conversion by notice and automatic conversion.

6 Representations and warranties

6.1 General

The Security Trustee has entered into this Debenture in reliance on the representations of each Chargor set out in this Clause 6, and each Chargor, warrants to the Security Trustee on the date of this Debenture, as set out in this Clause 6.

6.2 Land

All Land beneficially owned by it as at the date of this Debenture is described opposite its name in Schedule 2 (*Land charged by way of legal mortgage*) other than any real or heritable Land located in Scotland.

6.3 Shares

6.3.1 All Shares beneficially owned by it as at the date of this Debenture are described opposite its name in Schedule 3 (*Shares*).

6.3.2 All of the Shares and, to the extent applicable, all Investments are fully paid.

6.4 Accounts

As at the date of this Debenture, no Chargor holds any account with a bank or financial institution other than:

- (a) the Controlled Accounts (if any);
- (b) the Holding Accounts (if any); and
- (c) the Current Accounts set out in Schedule 7.

6.5 Insurances

6.5.1 It is the legal and beneficial owner of each Insurance to which it is a party.

6.5.2 All premiums and other moneys payable in respect of each Insurance have been duly and promptly paid in full.

6.5.3 Each Insurance is in full force and effect.

6.5.4 It has not has made any false declaration or mis-statement in support of obtaining any Insurance

6.5.5 It has disclosed to the insurers of each Insurance all material facts.

6.6 Repetition

The representations and warranties set out in this Clause 6 shall survive the execution of this Debenture and (other than the representation and warranty in Clause 6.4 (*Accounts*)) are deemed to be repeated by reference to the facts and circumstances then existing on each date on which the Repeating Representations are deemed to be repeated.

7 Positive covenants

The covenants in this Clause 7 remain in force from the date of this Debenture until the expiry of the Security Period.

7.1 Preservation of the Security Assets

Each Chargor shall:

- (a) keep all Land, all Equipment and all other tangible assets which form part of the Security Assets in good and substantial repair, fair wear and tear excepted and permit the Security Trustee free access at all reasonable times and on reasonable notice to view their state and condition;
- (b) preserve, maintain and renew as and when necessary all Intellectual Property which form part of the Security Assets;
- (c) observe and perform all covenants, undertakings, laws and regulations from time to time affecting any Security Asset or the use or enjoyment of it;
- (d) pay all Tax, rents, rates, duties, fees, charges, assessments, impositions, calls, instalments and outgoings which are properly payable at any time during the Security Period in respect of any Security Asset or by the owner or occupier of it (and if it fails to pay that amount when due, the Security Trustee may pay it);
- (e) notify the Security Trustee of any action commenced by a third party to seize, attach, charge, take possession of or sell any Security Asset which (to the best of its knowledge and belief) has been started or threatened; and
- (f) at its own cost, defend any proceedings (including proceedings to seize, attach, charge, take possession of or sell) brought by a third party relating to any Security Asset.

7.2 Land

7.2.1 Each Chargor shall promptly notify the Security Trustee in writing if it:

- (a) intends to acquire any estate or interest in Land; or
- (b) acquires any estate or interest in Land.

- 7.2.2 Each Chargor shall remedy any material defect or want of repair promptly after service by the Security Trustee of notice of the defect or want of repair.
- 7.2.3 Each Chargor shall give immediate notice in writing to the Security Trustee if:
- (a) it receives any notice under section 146 of the Act; or
 - (b) any proceedings are commenced against it for the forfeiture or irritancy of any lease of any Land.
- 7.2.4 If a Chargor acquires any freehold, heritable or leasehold property after the date of this Debenture it shall:
- (a) immediately on request by the Security Trustee and at the cost of that Chargor, execute and deliver to the Security Trustee a legal mortgage or standard security in favour of the Security Trustee of that property in any form which the Security Trustee may require;
 - (b) if the title to that freehold, heritable or leasehold property is registered at the Land Registry or Land Register or required to be so registered, apply to the Land Registry or Land Register for registration of this Security; and
 - (c) if applicable, ensure that the provisions of Clause 16.1 (*Application to Land Registrar*) are complied with in relation to that legal mortgage.
- 7.2.5 If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a legal mortgage or standard security over it, that Chargor shall:
- (a) not be required to perform that obligation unless and until it has obtained the landlord's consent; and
 - (b) use its reasonable endeavours to obtain the landlord's consent.
- 7.2.6 Each Chargor shall:
- (a) perform all its obligations under any law or regulation in any way related to or affecting its Land, except to the extent that non-performance of those obligations would not materially adversely affect the value or marketability of any of its Land; and
 - (b) within 14 Business Days after receipt by it of any material application, requirement, order or notice served or given by any public or local or any other authority with respect to its Land (or any part of it):
 - (i) deliver a copy to the Security Trustee; and
 - (ii) inform the Security Trustee of the steps taken or proposed to be taken to comply with the relevant requirements.
- 7.2.7 Following a Senior Event of Default or, in respect of any Land acquired after the date of this Debenture, upon the request of the Security Trustee, each Chargor shall:
- (a) grant the Security Trustee or its lawyers on request all facilities within the power of that Chargor to enable the Security Trustee or its lawyers (at the expense of that Chargor) to:

- (i) carry out investigations of title to the Land; and
 - (ii) make such enquiries in relation to any part of the Land as a prudent mortgagee or heritable creditor might carry out; and
- (b) if reasonably required by the Security Trustee, provide it with a report on title of that Chargor to the Land concerning those items which may properly be sought to be covered by a prudent mortgagee or heritable creditor in a lawyer's report of that nature.

7.3 Accounts

7.3.1 If any Chargor opens or otherwise acquires any Account after the date of this Debenture, it shall notify the Security Trustee immediately.

7.3.2 After executing this Debenture (or in the case of any Account opened after the date of this Debenture, after the date on which that Account is opened), each Chargor shall:

- (a) in respect of its Controlled Accounts (if any), promptly give notice to the Account Bank in the form set out in Part 1 of Schedule 8 (*Forms of letter to and from Account Bank*) and deliver to the Security Trustee a certified copy of that notice;
- (b) in respect of its Holdings Accounts (if any) for which the Account Bank is not the Security Trustee, promptly give notice to the Account Bank in the form set out in Part 2 of Schedule 8 (*Forms of letter to and from Account Bank*) and deliver to the Security Trustee a certified copy of that notice;
- (c) in respect of each of its Current Accounts (if any) for which the Account Bank is not the Security Trustee, promptly give notice to the Account Bank in the form set out in Part 3 of Schedule 8 (*Forms of letter to and from Account Bank*) and deliver to the Security Trustee a certified copy of that notice; and
- (d) use all reasonable endeavours to ensure that the Account Bank acknowledges each notice served on it pursuant to paragraphs (a), (b) or (c) of Clause 7.3.2 in the form set out in Part 4 of Schedule 8 (*Forms of Letter to and from Account Bank*) or other form approved by the Security Trustee.

7.3.3 Subject to the Senior Facilities Agreement, each Chargor may receive, withdraw or transfer any credit balance on any Holding Account or Current Account unless the Security Trustee notifies it to the contrary at any time when a Senior Event of Default has occurred which is continuing.

7.3.4 In addition to any rights of the Senior Agent or the Security Trustee under the Senior Debt Documents, at any time after a Senior Event of Default has occurred which is continuing, the Security Trustee may:

- (a) apply any amount standing to the credit of any Holding Account or Current Account or any amount it receives in respect of any such Account towards any amounts due and payable under the Senior Debt Documents; and
- (b) may notify the Account Bank at which any Holding Account or Current Account is held that the Chargors' rights (or any of them) under Clause 7.3.3 cease to apply.

7.4 Shares and Investments

7.4.1 If any Chargor forms or acquires any Subsidiary after the date of this Debenture, it shall notify the Security Trustee immediately.

7.4.2 Each Chargor shall (in the case of the Shares specified in Schedule 3 (*Shares*) and its Investments as at the date of this Debenture) immediately after entering into this Debenture or (in the case of any other Shares and Investments) on such later date on which any Shares or Investments are issued to or otherwise acquired by that Chargor, deposit with the Security Trustee, in respect of or in connection with its Shares and Investments:

- (a) all stock and share certificates and documents of or evidencing title;
- (b) signed undated transfers, completed in blank; and
- (c) any other documents which the Security Trustee may from time to time require for perfecting its title, or the title of any purchaser,

all of which will be held by the Security Trustee at the expense and risk of the relevant Chargor.

7.4.3 Each Chargor shall:

- (a) within 5 Business Days following receipt, forward to the Security Trustee copies of all material notices, documents and other communications received in connection with the Shares and Investments;
- (b) within 5 Business Days copy to the Security Trustee, and comply with in all material respects, all requests for information which is within its knowledge and which are made under section 793 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional document relating to any of its Shares and Investments; and
- (c) comply with all other conditions and obligations assumed by it in respect of any of the Shares and Investments where failure to so comply would adversely affect the interests of the Secured Parties.

7.5 Assigned Agreements, Derivative Contracts and Insurances

7.5.1 Each Chargor shall:

- (a) perform all its obligations under the Assigned Agreements, Derivative Contracts and Insurances in a diligent and timely manner;
- (b) promptly after the execution of this Debenture, or (as the case may be) promptly after the execution of any Assigned Agreement, Derivative Contract or Insurance entered into after the date of this Debenture, give notice to the other parties to the Assigned Agreements, Derivative Contracts and Insurances:
 - (i) in the case of Assigned Agreements substantially in the form set out in Schedule 4 (*Form of notice for Assigned Agreements*); and
 - (ii) in the case of Insurances, substantially in the form set out in Schedule 5 (*Form of notice for Insurances*); and

- (iii) in the case of Derivative Contracts, substantially in the form set out in Schedule 6 (*Form of notice for Derivative Contracts*),

and deliver to the Security Trustee a copy of each notice (except in respect of any assets located in Scotland or otherwise governed by Scots Law); and

- (c) use all reasonable endeavours to procure that each party served with a notice under paragraph (b) above countersigns and returns it to the Security Trustee within 14 days of the execution of this Debenture or in the case of Assigned Agreements, Derivative Contracts and Insurances entered into after the date of this Debenture, within 14 days of the date of the execution of the Assigned Agreement, Derivative Contract or Insurance.

7.5.2 Subject to the terms of the Senior Facilities Agreement and Intercreditor Agreement (including any obligations in them relating to the application of proceeds), while no Senior Event of Default is continuing, the relevant Chargor may exercise all its rights in respect of the Assigned Agreements, the Derivative Contracts and the Insurances (in each case to which it is a party) including receiving and exercising all rights relating to proceeds of those Assigned Agreements, Derivative Contracts and Insurances.

7.5.3 Each Chargor which is the borrower of an Intra-Group Loan acknowledges receipt of notice of assignment under Clause 3.13 (*Assigned Agreements*) of the relevant Intra-Group Loan Agreement.

7.6 Payments without deduction

Each Chargor covenants with the Secured Parties that all payments to be made by it under this Debenture shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

8 Negative covenants

The covenants in this Clause 8 remain in force from the date of this Debenture until the expiry of the Security Period.

8.1 Disposals

No Chargor shall enter into a single transaction or a series of transactions (whether related or not), whether voluntary or involuntary and whether at the same time or over a period of time, to sell, lease, transfer, loan, nor otherwise dispose of any Security Asset, nor enter into an agreement to make any such disposal other than as permitted under the provisions of the Senior Debt Documents.

8.2 Negative pledge

No Chargor shall create or permit to subsist any Security over any Security Asset other than as permitted under the provisions of the Senior Debt Documents.

8.3 Preservation of the Security Assets

No Chargor shall, save as permitted to do so by the Senior Debt Documents or, without the prior written consent of the Security Trustee:

- (a) enter into any onerous obligation or restriction affecting any Security Asset; or

- (b) in relation to any Land forming part of the Security Assets:
 - (i) part with possession of it, confer on any other person any right or licence to occupy it or grant any licence to assign, sub-let or create any Security over it;
 - (ii) exercise any of the powers conferred by sections 99 and 100 of the Act of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases;
 - (iii) vary, assign or otherwise dispose of or allow to be forfeited any leasehold interest;
 - (iv) agree any rent review;
 - (v) make any structural or material alteration, or do or allow anything to be done which falls within the definition of development in section 55 of the Town and Country Planning Act 1990;
 - (vi) allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor, or create or permit to arise any interest which overrides under the Land Registration Act 2002 (and each Chargor shall reimburse the Security Trustee for its reasonable costs of lodging (aa) a caution against first registration of the title to that Land or (bb) if that Land is unregistered, a land charge);
 - (vii) make an application, consent to or acquiesce in the application by any third party, to the Land Registry to enter any matter on the register of title; or
- (c) in relation to any uncalled capital of any Chargor, call it up or receive it in advance of calls unless the Security Trustee otherwise directs, nor apply it, when paid, otherwise than in payment of the Secured Liabilities or as the Security Trustee otherwise directs; or
- (d) take any Security in connection with its liability under this Debenture from any guarantor of, or provider of Security for, any of the Secured Liabilities.

8.4 Assigned Agreements, Derivative Contracts and Insurances

No Chargor shall, save as permitted to do so by the Senior Debt Documents, without the prior written consent of the Security Trustee:

- (a) make or agree to make any amendments to;
- (b) waive any of its rights under; or
- (c) exercise any right to terminate,

any of the Assigned Agreements, Derivative Contracts or the Insurances.

9 Voting and other rights

9.1 Before demand by the Security Trustee

Until such time as the Security Trustee makes a demand under Clause 9.2, each Chargor may exercise any of its voting and other rights and powers attached to the Shares and Investments but shall not do so in a manner which may:

- (a) have the effect of changing the terms of issue of any of the Shares or Investments (or any class of them) or any of the Distribution Rights relating to them;
- (b) impair the value of any of the Shares or Investments;
- (c) prejudice the security created by this Debenture; or
- (d) otherwise prejudice the interests of the Secured Parties under the Senior Debt Documents.

9.2 After demand by the Security Trustee

After the Security Trustee so demands following the occurrence of a Senior Event of Default, each Chargor shall:

- (a) promptly pay over to the Security Trustee all moneys arising from the Distribution Rights relating to the Shares and Investments which it may receive; and
- (b) exercise all voting and other rights and powers attached to the Shares and Investments in any manner which the Security Trustee may direct.

9.3 Completion of transfers

At any time following the occurrence of a Senior Event of Default which is continuing the Security Trustee may, without notice to any Chargor:

- (a) complete and date any of the transfers and other documents referred to in paragraphs (b) and (c) of Clause 7.4.2; and
- (b) transfer all or any of the Shares or Investments to itself.

10 Enforcement

10.1 When Security becomes enforceable

The Security created by a Chargor under this Debenture shall become enforceable:

- (a) on the occurrence of a Senior Event of Default; or
- (b) if any Chargor so requests.

10.2 Powers on enforcement

At any time after the Security created by a Chargor under this Debenture has become enforceable, the Security Trustee may (without prejudice to any other of its rights and remedies and without notice to that Chargor) do all or any of the following:

- (a) sell or otherwise dispose of the Security Assets, and exercise all the other powers and rights conferred on mortgagees by the Act, as varied and extended by this Debenture, without the restrictions contained in sections 103 or 109(1) of the Act;
- (b) exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Security Asset, without the restrictions imposed by sections 99 and 100 of the Act;
- (c) to the extent that any Security Asset constitutes Financial Collateral, as defined in the Regulations, appropriate it and transfer the title in and to it to the Security Trustee insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18;
- (d) subject to Clause 11.1.1 (Method of appointment and removal), appoint one or more persons to be a Receiver or Receivers of all or any of the Security Assets; and
- (e) appoint an administrator of any Chargor.

10.3 Disposal of the Security Assets

In exercising the powers referred to in paragraph (a) of Clause 10.2 (*Powers on enforcement*), the Security Trustee or any Receiver may sell or dispose of all or any of the Security Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

10.4 Application of moneys

10.4.1 The Security Trustee shall apply any moneys received or recovered by it pursuant to this Debenture in accordance with the Intercreditor Agreement.

10.4.2 Any Receiver shall apply any moneys received or recovered by it pursuant to this Debenture:

- (a) first, in or towards the pro rata payment of or provision for any sums owing to the Security Trustee, any Receiver or any Delegate; and
- (b) secondly, to the Security Trustee for application in accordance with Clause 10.4.1, and section 109(8) of the Act shall not apply.

10.4.3 Clauses 10.4.1 and 10.4.2 will override any appropriation made by a Chargor.

11 Appointment and powers of Receivers

11.1 Method of appointment and removal

11.1.1 The Security Trustee may not appoint a Receiver by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

11.1.2 Every appointment or removal of a Receiver, of any delegate or of any other person by the Security Trustee pursuant to this Debenture may be made in writing under the hand of any officer or manager of the Security Trustee (subject to any requirement for a court order in the removal of an administrative receiver).

11.2 Powers of Receiver

Every Receiver shall have all the powers:

- (a) of the Security Trustee under this Debenture;
- (b) conferred by the Act on mortgagees in possession and on receivers appointed under the Act;
- (c) which are specified in Schedule 1 and Schedule 2 of the Insolvency Act 1986 in relation to, and to the extent applicable to, the Security Assets or any of them (whether or not the Receiver is an administrative receiver within the meaning of that Act) together with the additional powers set out in Schedule 10 (*Additional powers of Receiver*);
- (d) in relation to any Security Asset, which he would have if he were its only absolute owner; and
- (e) which are conferred by any other law conferring powers on receivers.

11.3 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Debenture.

11.4 Receiver as agent

Every Receiver shall be the agent of the relevant Chargor which shall be solely responsible for his acts and defaults and for the payment of his remuneration.

11.5 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Trustee, and the maximum rate specified in section 109(6) of the Act shall not apply.

12 Protection of purchasers

No purchaser or other person dealing with the Security Trustee or any Receiver shall be bound or concerned:

- (a) to see or enquire whether the right of the Security Trustee or any Receiver to exercise any of the powers conferred by this Debenture has arisen or not;
- (b) with the propriety of the exercise or purported exercise of those powers; or
- (c) with the application of any moneys paid to the Security Trustee, to any Receiver or to any other person.

13 Protection of the Secured Parties

13.1 Exclusion of liability

None of the Security Trustee, the Secured Parties or any of their respective officers or employees shall have any responsibility or liability:

- (a) for any action taken, or any failure to take any action, in relation to all or any of the Security Assets;
- (b) to account as mortgagee in possession or for any loss upon realisation of any Security Asset;
- (c) for any loss resulting from any fluctuation in exchange rates in connection with any purchase of currencies under Clause 18 (*Currency*); or
- (d) for the loss or destruction of, or damage to, any of the Security Assets, or to any documents of or evidencing title to them, which are in the possession or held to the order of any such person (and which will be held by such persons at the expense and risk of the Chargors);
- (e) for any other default or omission in relation to all or any of the Security Assets for which a mortgagee in possession might be liable,

except in the case of gross negligence or wilful misconduct on the part of that person.

13.2 General indemnity

13.2.1 Each Chargor shall indemnify the Security Trustee, the Secured Parties and their respective officers and employees against all actions, proceedings, demands, claims, costs, expenses, and other liabilities incurred by them in respect of all or any of the following:

- (a) any act or omission by any of them in relation to all or any of the Security Assets;
- (b) any payment relating to or in respect of all or any of the Security Assets which becomes payable at any time by any of them;
- (c) any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Debenture;
- (d) carrying out or purporting to carry out any of the rights, powers and discretions conferred on them by or permitted under this Debenture; and
- (e) any breach by that Chargor of any of its covenants or other obligations to the Security Trustee or any other Secured Party,

except in the case of gross negligence or wilful misconduct on the part of that person.

13.2.2 Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

13.3 Indemnity out of the Security Assets

The Security Trustee, the Secured Parties and their respective officers and employees shall be entitled to be indemnified out of the Security Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 13.2 (General indemnity).

14 Preservation of Security

14.1 Reinstatement

If any payment by a Chargor or discharge given by the Security Trustee (whether in respect of the obligations of any Debtor or Group Company or any Security for those obligations or otherwise) is avoided or reduced as a result of insolvency, liquidation, administration or any similar event:

- (a) the liabilities of that Chargor and the Security created by that Chargor under this Debenture shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) the Secured Parties shall be entitled to recover the value or amount of that Security or payment from that Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

14.2 Waiver of defences

Neither the Security created by this Debenture nor the obligations of any Chargor under this Debenture will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to that Chargor, the Security Trustee or any other Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Debtor, Group Company or other person;
- (b) the release of any Debtor, Group Company or any other person under the terms of any composition or arrangement with any person;
- (c) the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Debtor, Group Company or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Debtor, Group Company or any other person;
- (e) any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Senior Debt Document or any other document or Security;
- (f) any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Senior Debt Document or any other document; or
- (g) any insolvency, liquidation, administration or similar procedure.

14.3 Chargor intent

Without prejudice to the generality of Clause 14.2 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security created by this Debenture shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Senior Debt Documents and/or any facility or amount made available under any of the Senior Debt Documents for the purposes of or in connection with any of the following:

- (a) acquisitions of any nature;
- (b) increasing working capital;
- (c) enabling investor distributions to be made;
- (d) carrying out restructurings;
- (e) refinancing existing facilities;
- (f) refinancing any other indebtedness;
- (g) making facilities available to new borrowers;
- (h) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and
- (i) any fees, costs and/or expenses associated with any of the foregoing.

14.4 Immediate recourse

Each Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any person before claiming from the Chargors under this Debenture. This waiver applies irrespective of any law or any provision of a Senior Debt Document to the contrary.

14.5 Appropriations

During the Security Period each Secured Party may:

- (a) refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 10.4 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of the Secured Liabilities.

14.6 Deferral of Chargors' rights

During the Security Period and unless the Security Trustee otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by it of its obligations under this Debenture or the enforcement of the Security created by this Debenture:

- (a) to receive or claim payment from, or be indemnified by a Debtor or Group Company;
- (b) to claim any contribution from any guarantor of, or provider of Security in respect of, any Debtor's or Group Company's obligations under the Senior Debt Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under any Senior Debt Document or of any guarantee or Security taken pursuant to, or in connection with, the Senior Debt Documents by any Secured Party;
- (d) to exercise any right of set-off against any Debtor or Group Company; and/or
- (e) to claim or prove as a creditor of any Debtor or Group Company in competition with any Secured Party.

14.7 Additional Security

This Debenture is in addition to, is not in any way prejudiced by and shall not merge with any contractual right or remedy or other Security now or in the future held by or available to any Secured Party.

14.8 New accounts

If any Secured Party receives notice (actual or otherwise) of any subsequent Security over or affecting all or any of the Security Assets it may open a new account or accounts with each Borrower and, if it does not do so, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that subsequent Security, and as from that time all payments made by a Borrower to that Secured Party:

- (a) shall be credited or be treated as having been credited to the new account of that Borrower; and
- (b) shall not operate to reduce the Secured Liabilities at the time when the Secured Party received or was deemed to have received such notice.

15 Tacking

For the purposes of section 94(1) of the Act and section 49(3) of the Land Registration Act 2002 the Security Trustee confirms on behalf of the Senior Creditors that the Senior Creditors shall make further advances to the Borrowers on the terms and subject to the conditions of the Senior Debt Documents.

16 Further assurance

16.1 Registration at Companies House

Each Chargor consents to the registration of this Debenture at Companies House pursuant to Part 25 of the Companies Act 2006.

16.2 Application to Land Registrar

Each Chargor consents to the registration against the registered titles specified opposite its name in Schedule 2 (*Land charged by way of legal mortgage*) of:

- (a) a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction] is to be registered without a written consent signed by the proprietor for the time being of the charge dated ** [date of Debenture] in favour of ** [insert name of Security Trustee] referred to in the charges register or their conveyancer. (Form P)"; and

- (b) a notice that the Senior Creditors are under an obligation to make further advances on the terms and subject to the conditions of the Senior Debt Documents.

16.3 Further action

Each Chargor shall, at its own expense, promptly take any action and sign or execute any further documents which the Security Trustee (acting reasonably where no Senior Default has occurred and is continuing) may require in order to:

- (a) give effect to the requirements of this Debenture;
- (b) protect, preserve and perfect the Security intended to be created by or pursuant to this Debenture;
- (c) protect and preserve the ranking of the Security intended to be created by or pursuant to this Debenture with any other Security over any assets of any Chargor; or
- (d) facilitate the realisation of all or any of the Security Assets or the exercise of any rights, powers and discretions conferred on the Security Trustee, any Receiver or any administrator in connection with all or any of the Security Assets,

and any such document may disapply section 93 of the Act.

16.4 Deposit of documents

Each Chargor covenants that, on the date of this Debenture and at all times during the Security Period as soon as it receives them (and in any event as soon as the Security Trustee so requests), it shall deposit with the Security Trustee, in respect of or in connection with the Security Assets:

- (a) all deeds, certificates and other documents of or evidencing title; and
- (b) any other documents which the Security Trustee may from time to time require for perfecting its title, or the title of any purchaser.

16.5 Law of Property (Miscellaneous Provisions) Act 1994

The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to the provisions set out in this Clause 16.

17 Power of attorney

Each Chargor irrevocably and by way of security appoints each of:

- (a) the Security Trustee;

- (b) any delegate or sub-delegate of, or other person nominated in writing by, an officer of the Security Trustee; and
- (c) any Receiver,

jointly and severally as its attorney, in its name, on its behalf and in such manner as the attorney may in its or his absolute discretion think fit following the occurrence of a Senior Event of Default or following the failure by the relevant Chargor to comply with a request from the Security Trustee, to take any action and sign or execute any further documents which that Chargor is required to take, sign or execute in accordance with this Debenture. Each Chargor agrees, promptly on the request of the Security Trustee or any Receiver, to ratify and confirm all such actions taken and documents signed or executed.

18 Currency

18.1 The Spot Rate

In this Clause 18, the **Spot Rate** means, in relation to the Security Trustee or any other Secured Party, the spot rate of exchange of that Secured Party for the purchase of any currency with any other currency in the London foreign exchange market.

18.2 Conversion of moneys received

The Security Trustee or any other Secured Party may convert any moneys received, recovered or realised in any currency under this Debenture (including the proceeds of any previous conversion under this Clause 18.2) from their existing currency into any other currency, by purchasing that other currency at the Spot Rate.

19 Discharge of Security

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities, the Security Trustee shall, unless any third party has any subrogation or other rights in respect of the Security created by this Debenture at that time, or shall procure that its appointees will, at the request and cost of the Chargors:

- (a) release the Security Assets from this Debenture; and
- (b) re-assign to the relevant Chargor those Security Assets that have been assigned to the Security Trustee under Clause 3 (*Creation of Security*).

Section 93 of the Act shall not apply to this Debenture.

20 Costs and expenses

20.1 Transaction expenses

The Chargors shall promptly on demand pay the Security Trustee the amount of all costs and expenses (including legal fees) reasonably incurred by it in connection with the negotiation, preparation, printing and execution of this Debenture.

20.2 Amendment costs

If any Chargor requests an amendment, waiver, consent or release of or in relation to this Debenture, the Chargors shall, within three Business Days of demand, reimburse the Security

Trustee for the amount of all costs and expenses (including legal fees) reasonably incurred by it in responding to, evaluating, negotiating or complying with that request or requirement.

20.3 Enforcement costs

The Chargors shall, within three Business Days of demand, pay to the Security Trustee or any Receiver or Delegate the amount of all costs and expenses (including legal fees) incurred by the Security Trustee or any Receiver or Delegate in connection with the enforcement of, or the preservation of any rights under, this Debenture.

21 Additional Chargors

21.1 Delivery of Security Accession Deed

21.1.1 The Company may request that any Subsidiary (the **New Chargor**) becomes a Chargor.

21.1.2 The New Chargor shall become a Chargor if:

- (a) the Company and the New Chargor deliver to the Security Trustee a duly completed and executed Security Accession Deed; and
- (b) the Company confirms that no Default is continuing or would occur as a result of the New Chargor becoming a Chargor.

21.2 Repetition of representations

Delivery of a Security Accession Deed constitutes confirmation by the New Chargor that the Repeating Representations are true and correct to the extent applicable to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

22 Notices

22.1 Communications in writing

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

22.2 Addresses

22.2.1 The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Debenture is that identified with its name below or any substitute address or department or officer as either party may notify to the other by not less than five Business Days' notice.

22.2.2 The addresses referred to in Clause 22.2.1 are:

- (a) The Company:

Swanton Care & Community Limited
Number 3
Siskin Drive
Coventry
CV3 4FJ

Attention: Chief executive office

Email: alison.rosequirie@swantoncare.com/alex.cowie@swantoncare.com

(b) The Security Trustee:

The Royal Bank of Scotland plc
Level 2 – Syndicated Loans Agency
250 Bishopsgate
London
EC2M 4AA

Attention: Andrew Guthrie

Fax: 020 7786 5247

Email: Andrew.Guthrie@rbs.com

(c) **Each Original Chargor**

As set out opposite its name in Schedule 1 (*Original Chargors*).

22.3 Delivery

22.3.1 Any communication or document made or delivered by one person to another under or in connection with this Debenture will only be effective if by way of letter, (i) when it has been left at the relevant address or (ii) two Business Days (or, in the case of airmail, five Business Days) after being deposited in the post postage prepaid (or, as the case may be, airmail postage prepaid), in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 22.2 (*Addresses*), if addressed to that department or officer.

22.3.2 Any communication or document to be made or delivered to the Security Trustee will be effective only when actually received by the Security Trustee and then only if it is expressly marked for the attention of the department or officer identified in Clause 22.2.2 (or any substitute department or officer as the Security Trustee shall specify for this purpose).

22.4 English language

22.4.1 Any notice given under or in connection with this Debenture must be in English.

22.4.2 All other documents provided under or in connection with this Debenture must be:

- (a) in English; or
- (b) if not in English, and if so required by the Security Trustee accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

23 Calculations and certificates

23.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Debenture, the entries made in the accounts maintained by the Security Trustee or any other Secured Party are prima facie evidence of the matters to which they relate.

23.2 Certificates and determinations

Any certification or determination by the Security Trustee or any other Secured Party of a rate or amount under this Debenture is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

24 Partial invalidity

If, at any time, any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

25 Remedies and waivers

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

26 Amendments and waivers

Any term of this Debenture may be amended or waived only with the written consent of the Chargors and the Security Trustee.

27 Counterparts

This Debenture 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 Debenture.

28 Governing law and enforcement

28.1 Governing law

English law governs this Debenture, its interpretation and any non-contractual obligations arising from or connected with it.

28.2 Jurisdiction

28.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture) (a **Dispute**).

28.2.2 The parties 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.

28.2.3 This Clause 28.2 is for the benefit of the Security Trustee and the other Secured Parties only. As a result, neither the Security Trustee nor any other Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee and the other Secured Parties may take concurrent proceedings in any number of jurisdictions.

28.3 Service of process

28.3.1 Subject to Clause 28.3.3, the address for service of each Chargor in England and Wales under this Clause is:

FAO: Chief executive officer

Swanton Care & Community Limited
Number 3
Siskin Drive
Coventry
CV3 4FJ

28.3.2 Without prejudice to any other mode of service allowed under any relevant law, any Service Document relating to proceedings before the English courts may be served on each Chargor at its address for service. That service may be made by pre-paid first class recorded delivery post or any other method allowed by law.

28.3.3 If a Chargor wishes to change its address for service to a different address in England or Wales, it may do so by giving the Security Trustee at least 20 Business Days' written notice of its new address for service.

28.3.4 In this Clause, "Service Document" means any claim form, application notice, judgment, order or other notice of legal process relating to the Debenture.

Executed as a deed and delivered on the date appearing at the beginning of this Debenture.

Schedule 1 – Original Chargors

Name of Chargor	Registered number (or equivalent, if any)	Notice details	
Swanton Care & Community Limited	05789785	Address:	Number three Siskin Drive Coventry CV3 4FJ
		Attention:	Chief executive officer
Swanton Care & Community (Glenpath Holdings) Limited	03328213	Address:	c/o Swanton Care & Community Limited Number three Siskin Drive Coventry CV3 4FJ
		Attention:	Chief executive officer
Swanton Care & Community (Andrew Frederick Care Homes) Limited	03576776	Address:	c/o Swanton Care & Community Limited Number three Siskin Drive Coventry CV3 4FJ
		Attention:	Chief executive officer
Swanton Care & Community (Southfield House Care Services) Limited	SC232927	Address:	c/o Swanton Care & Community Limited Number three Siskin Drive Coventry CV3 4FJ
		Attention:	Chief executive officer
Swanton Care & Community (Maestello Care Homes) Limited	03943086	Address:	c/o Swanton Care & Community Limited Number three Siskin Drive Coventry CV3 4FJ
		Attention:	Chief executive officer
Swanton Care & Community (Autism North) Limited	04536431	Address:	c/o Swanton Care & Community Limited Number three Siskin Drive Coventry

CV3 4FJ

Attention: Chief executive officer

Schedule 2 – Land charged by way of legal mortgage

Part 1 – Registered Land

Name of Chargor	Description and address	Title number
Swanton Care & Community (Andrew Frederick Care Homes) Limited	The Old Vicarage, 85 Silver Road, Norfolk NR3 4TF	<u>Freehold</u>
		NK12091
		NK262160
		NK21413
		NK34590
		NK21104
		NK106747
		NK34657
		NK11559
		NK40196
		NK30897
		NK67395
		NK231440
		<u>Leasehold</u>
		NK55042
		NK44782
		NK45256
		NK46076
		NK44130
		NK43575
		NK46697
		NK45867
		NK48444
		NK44983
		NK43780
		NK52050
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Swanton House, Dereham Road, Swanton Novers (NR24 2QT)	NK267926
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Heath Farm, Norwich Road, Little Plumstead (NR13 5JG)	NK301600
Swanton Care & Community (Andrew Frederick Care Homes) Limited	73 Stonehouse Road, Sprowston, Norwich NR7 8AS	NK32018
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Land At Hilton Park Care Centre, The Grange, Bottisham	CB315384

Swanton Care & Community (Andrew Frederick Care Homes) Limited	Falcon Place, Keycol Hill, Newington, Sittingbourne, Kent ME9 7LG	K589398
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Baylis Place, 61 Wawne Road, Sutton On Hull (HU7 4FE)	HS203214
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Butlers Cottage, Dereham Road, Swanton Novers, Melton Constable (NR24 2QT)	NK332838
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Darwin Place, Southfield Road, Much Wenlock (TF13 6AT)	SL78656
Swanton Care and Community (Andrew Fredericks Care Homes) Limited	Honeysuckle Cottage, Keycol Hill, Newington, Sittingbourne, (ME9 7LG)	K648298
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Hickathrift Hollow, School Road, Marshland St. James (PE14 8EY)	NK178918
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Land On The North Side Of 21 Tower Hill Drive, Hessle (HU13 0SG)	HS115281
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Land On The North Side Of Weir Lodge, 21 Tower Hill Drive, Hessle (HU13 0SL)	HS197935
Swanton Care & Community (Andrew Frederick Care Homes) Limited	36 Wroxham Road, Sprowston (NR7 8TY)	NK291705
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Land on the North side of Mousehold Avenue, Norwich	NK376647
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Land lying to the North of Mousehold Avenue, Norwich	NK381704
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Land on the East Side of Smeeth Road, Marshland St James, Wisbech	NK382220
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Land on the West Side of the Bungalow, Southfield Road, Much Wenlock	SL163711

Swanton Care & Community (Andrew Frederick Care Homes) Limited	Land on the North Side of the Bungalow, Southfield Road, Much Wenlock	SL163713
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Weir Lodge, 21 Tower Hill, Hessle, HU13 0SG	YEA47432
Swanton Care and Community (Glenpath Holdings) Limited	Eastcliffe, Sidecliffe Road, Roker, SR6 9PX	TY140328
Swanton Care and Community (Glenpath Holdings) Limited	Eastholme, Dene House Road, Seaham SR7 7BQ	DU15037
Swanton Care and Community (Glenpath Holdings) Limited	2 Park Avenue, Roker, Sunderland SR6 9PU	TY74412
Swanton Care and Community (Glenpath Holdings) Limited	The Old Vicarage, Eppleton	TY322371
Swanton Care and Community (Glenpath Holdings) Limited	11 The Cedars, Sunderland, (SR2 7TW)	TY20444
Swanton Care and Community (Glenpath Holdings)Limited	The Old Vicarage, Knaresborough Road, Murton, Seaham (SR7 9RQ)	DU173217
Swanton Care and Community (Glenpath Holdings) Limited	Beach View Nursing Home, North Road, Seaham, (SR7 7AB) and 31 North Road, Seaham	DU78411 and DU88452
Swanton Care and Community (Glenpath Holdings) Limited	Tynedale, Ashbrooke Range, Sunderland SR2 7TR	TY43138
Swanton Care and Community (Glenpath Holdings) Limited	1 Trinity Church Hall, Knaresborough Road, Murton, Seaham, SR7 9RD	DU292801
Swanton Care and Community (Maesteilo Care Homes) Limited	Maesteilo, Capel Isaac, Llandeilo	WA973350
Swanton Care and Community (Maesteilo Care Homes) Limited	Pantyrodyn House, Llandeilo Road, Llandybie, Ammanford	CYM55987
Swanton Care and Community (Maesteilo Care Homes) Limited	Dan-Y-Graig, Four Roads, Kidwelly (SA17 4SW) and Land Adjoining Dan-Y-Graig, Four Roads, Kidwelly (SA17 4SW)	WA192267 WA314486

Swanton Care and Community (Maesteilo Care Homes) Limited	Land Adjoining Glangarnant Nursing Home, Neuadd Road, Garnant, Ammanford (SA18 1UF)	WA276116
Swanton Care and Community (Maesteilo Care Homes) Limited	749 Clydach Road, Ynystawe, Swansea (SA6 5BA)	WA12945
Swanton Care and Community (Maesteilo Care Homes) Limited	Glyncoed, Dryslwyn, Carmarthen, (SA32 8SJ)	WA973509

Part 2 – Unregistered Land

None

Schedule 3 – Shares

Name of Chargor	Subsidiary	Number and class of shares	Details of nominees (if any) holding legal title to shares
Swanton Care & Community Limited	Swanton Care & Community (Glenpath Holdings) Limited (company number 03328213)	100 ordinary shares of £1 each	N/A
	Swanton Care & Community (Andrew Frederick Care Homes) Limited (company number 03576776)	1,000,000 ordinary shares of £1 each	N/A
	Swanton Care & Community (Maesteilo Care Homes) Limited (company number 03943086)	203 ordinary shares of £1 each	N/A
Swanton Care & Community (Glenpath Holdings) Limited	Swanton Care & Community (Autism North) Limited (company number 04536431)	100 ordinary shares of £1 each	N/A
Swanton Care & Community (Andrew Frederick Care Homes) Limited	Ford Place Limited (company number 03090556)	3 ordinary shares of £1 each	N/A
	Andrew Frederick Care Limited (company number 02914681)	40,000 ordinary shares of £1 each	N/A
Swanton Care & Community (Maesteilo Care Homes) Limited	Cwm Teilo Limited (company number 05265487)	101 ordinary shares of £1 each	N/A
	Ty-Teilo Limited (company number 04664920)	100 ordinary shares of £1 each	N/A

Schedule 4 – Form of notice for Assigned Agreements

[On relevant Chargor's notepaper.]

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

Attention: **

Date: **

Dear Sirs

Notice of assignment

- 1 We refer to the ** [specify the relevant Assigned Agreement] dated **
between us and you (the **Agreement**)
- 2 We notify you that:
 - (a) under a debenture dated ** between, among others, us and The Royal Bank of Scotland plc (the **Security Trustee**) we have assigned to the Security Trustee for the benefit of itself and certain other banks and financial institutions (together with the Security Trustee, the **Secured Parties**) all our right, title and interest in and to, and all benefits accruing under, the Agreement as security for certain obligations owed to the Secured Parties;
 - (b) we may not agree to amend or terminate the Agreement without the prior written consent of the Security Trustee;
 - (c) until you receive written notice to the contrary from the Security Trustee, you may continue to deal with us in relation to the Agreement and credit all moneys to which we are entitled under the Agreement to the following account in our name: **
[insert details of account]. After receipt we will cease to have any right to deal with you in relation to the Agreement and from that time you should deal only with the Security Trustee; and
 - (d) you are authorised to disclose information relating to the Agreement to the Security Trustee on request.
- 3 We request that you:
 - (a) after receipt of written notice in accordance with paragraph 2(c), ensure that all moneys to which we are entitled under the Agreement are credited to the account of the Security Trustee specified in that notice (and are not paid to us);
 - (b) give the Security Trustee written notice of any breach of the Agreement as soon as you become aware of it; and
 - (c) give the Security Trustee not less than 30 days' written notice of your giving notice to terminate the Agreement.

4 Please sign and return the enclosed copy of this notice to the Security Trustee (with a copy to us) to confirm that you:

- (a) agree to the terms of this notice and to act in accordance with its provisions;
- (b) have not received notice that we have assigned our 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) have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Agreement.

5 The provisions of this notice are governed by English law.

Yours faithfully

.....

for and on behalf of

[insert name of Chargor]

Copy to: Security Trustee

[On acknowledgement copy]

To: The Royal Bank of Scotland plc

Copy to: [insert name and address of Chargor]

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....

for and on behalf of

[insert name of counterparty]

Date: **

Schedule 5 – Form of notice for Insurances

[On relevant Chargor's notepaper.]

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

Attention: **

Date: **

Dear Sirs

Notice of assignment

- 1 We refer to the ** [specify the relevant insurance policy] dated **
between us and you (the **Policy**)
- 2 We notify you that:
 - (a) under a debenture dated ** between, among others, us and The Royal Bank of Scotland plc (the **Security Trustee**) we have assigned to the Security Trustee for the benefit of itself and certain other banks and financial institutions (together with the Security Trustee, the **Secured Parties**) all our right, title and interest in and to, and all benefits accruing under, the Policy as security for certain obligations owed to the Secured Parties;
 - (b) we may not agree to amend or terminate the Policy without the prior written consent of the Security Trustee;
 - (c) until you receive written notice to the contrary from the Security Trustee, you may continue to deal with us in relation to the Policy and credit all moneys to which we are entitled under the Policy to the following account in our name: ** [insert details of account]. After receipt we will cease to have any right to deal with you in relation to the Policy and from that time you should deal only with the Security Trustee; and
 - (d) you are authorised to disclose information relating to the Policy to the Security Trustee on request.
- 3 We request that you:
 - (a) after receipt of written notice in accordance with paragraph 2(c), ensure that all moneys to which we are entitled under the Policy are credited to the account of the Security Trustee specified in that notice (and are not paid to us);
 - (b) note on the Policy the Security Trustee's security interest under the Debenture; and
 - (c) give the Security Trustee not less than 30 day's written notice of your giving notice to terminate the Policy or allowing the Policy to lapse.
- 4 Please sign and return the enclosed copy of this notice to the Security Trustee (with a copy to us) to confirm that you:

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

5 The provisions of this notice are governed by English law.

Yours faithfully

.....

for and on behalf of

[insert name of Chargor]

Copy to: Security Trustee

[On acknowledgement copy]

To: The Royal Bank of Scotland plc

Copy to: [insert name and address of Company] [(on behalf of all the Chargors)]

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....

for and on behalf of

[insert name of insurance company]

Date: **

Schedule 6 – Form of notice for Derivative Contracts

[On relevant Chargor's notepaper.]

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

Attention: **

Date: **

Dear Sirs

Notice of charge

- 1 We refer to the ** [specify the relevant Derivative Contract] dated **
between us and you (the **Agreement**)
- 2 We notify you that:
 - (a) under a debenture dated ** between, among others, us and The Royal Bank of Scotland plc (the **Security Trustee**) we have granted to the Security Trustee for the benefit of itself and certain other banks and financial institutions (together with the Security Trustee, the **Secured Parties**) a fixed charge over our right to receive all moneys payable under the Agreement as security for certain obligations owed to the Secured Parties;
 - (b) we may not agree to amend or terminate the Agreement without the prior written consent of the Security Trustee; and
 - (c) you are authorised to disclose information relating to the Agreement to the Security Trustee on request.
- 3 We request that you:
 - (a) ensure that all moneys payable to us under the Agreement are credited to an account nominated by the Security Trustee (and are not paid to us);
 - (b) give the Security Trustee written notice of any breach of the Agreement as soon as you become aware of it; and
 - (c) give the Security Trustee not less than 30 days' written notice of your giving notice to terminate the Agreement.
- 4 Please sign and return the enclosed copy of this notice to the Security Trustee (with a copy to us) to confirm that you:
 - (a) agree to the terms of this notice and to act in accordance with its provisions; and

- (b) have not received notice that we have assigned our 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.

5 The provisions of this notice are governed by English law.

Yours faithfully

.....

for and on behalf of

[insert name of Chargor]

Copy to: Security Trustee

[On acknowledgement copy]

To: The Royal Bank of Scotland plc

Copy to: [insert name and address of Chargor]

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....

for and on behalf of

[insert name of counterparty]

Date: **

Schedule 7 – Current Accounts

Account Bank	Name of Chargor	Sort Code	Account number
The Royal Bank of Scotland plc	Swanton Care & Community Limited		
The Royal Bank of Scotland plc	Swanton Care & Community (Glenpath Holdings) Limited		
The Royal Bank of Scotland plc	Swanton Care & Community (Southfield House Care Services) Limited		
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc	Swanton Care & Community (Andrew Frederick Care Homes) Ltd		
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
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The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc	Swanton Care & Community (Autism North) Limited		
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			

Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc	Swanton Care & Community (Maesteilo Care Homes) Limited		
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			
The Royal Bank of Scotland plc			

Schedule 8 – Forms of letter to and from the Account Bank

Part 1– Notice to Account Bank regarding the Controlled Account(s)

[On relevant Chargor's notepaper.]

[This form of notice is drafted on the basis that the relevant Chargor has a single Controlled Account. If any Chargor has more than one Controlled Account, make appropriate drafting adjustments. Delete this note and any other square bracketed notes in italics below before the notice is signed by the relevant Chargor and sent to the Account Bank.]

To: ** [insert name and address of Account Bank]

Date: **

Dear Sirs

Debenture dated [] between (among others) [Chargor] and The Royal Bank of Scotland plc (the Debenture)**

We refer to the account which we hold with you numbered ** , sort code ** , as it may from time to time be re-designated or re-numbered (the **Controlled Account**).

We are writing to give you notice of certain rights in respect of the Controlled Account that we have granted to The Royal Bank of Scotland plc in its capacities (as applicable) as agent and security trustee for certain banks and financial institutions (the **Bank**).

Under the Debenture we have [charged by way of fixed charge in favour of [assigned absolutely to] the Bank all amounts standing to the credit of the Controlled Account from time to time (the **Deposit**) and all of our right, title and interest in, and relating to, the Controlled Account.

["...we have [charged by way of fixed charge in favour of][assigned absolutely to] the Security Trustee...." Delete whichever square bracketed option is inappropriate (see Clauses 3.6 (Controlled Accounts held with the Security Trustee) and 3.7 (Other Controlled Accounts)) and remove the square brackets from the option which is appropriate.]

Regardless of any previous authorisations or instructions which we may have given you and without making any enquiry as to the justification for the matter, we irrevocably authorise and instruct you:

- (a) to disclose to the Bank any information relating to us, the Controlled Account and the Deposit which the Bank may from time to time request you to disclose to it;
- (b) to hold the Deposit to the order of the Bank, and not permit the whole or any part of the Deposit to be withdrawn by us;
- (c) to pay or release all or any part of the Deposit, and generally to act in relation to the Deposit, only in accordance with the written instructions of the Bank;

- (d) to comply with the terms of any written notice or instructions in any way relating to or purporting to relate to the Controlled Account or the Deposit which you may receive from the Bank.

The instructions and authorisations contained in this letter may not be revoked or varied without the written agreement of the Bank.

This letter is governed by English law.

Please confirm your agreement to the above by sending an acknowledgement to the Bank in the form attached, with a copy to ourselves.

Yours faithfully,

.....

for and on behalf of ** [Chargor]

copy: The Royal Bank of Scotland plc

Part 2 – Notice to Account Bank regarding the Holding Accounts

[On relevant Chargor's notepaper.]

[This form of notice is drafted on the basis that the relevant Chargor has a single Holding Account. If any Chargor has more than one Holding Account, make appropriate drafting adjustments. Delete this note and any other square bracketed notes in italics below before the notice is signed by the relevant Chargor and sent to the Account Bank.]

To: ** [insert name and address of Account Bank]

Date: **

Dear Sirs

Debenture dated [] between (among others) [Chargor] and The Royal Bank of Scotland plc (the Debenture)**

- 1 We refer to the account which we hold with you numbered ** , sort code ** , as it may from time to time be re-designated or re-numbered (the **Holding Account**).
- 2 We are writing to give you notice of certain rights in respect of the Holding Account that we have granted to The Royal Bank of Scotland plc in its capacities (as applicable) as agent and security trustee for certain banks and financial institutions (the **Bank**).
- 3 Under the Debenture we have charged by way of floating charge to the Bank all amounts standing to the credit of the Holding Account from time to time (the **Deposit**) and all of our right, title and interest in, and relating to, the Holding Account.
- 4 We notify you that:
 - (a) until such time as you have received notice from the Bank under paragraph 6 below, you may accept instructions from either the Bank or ourselves for the withdrawal of moneys from the Holding Account;
 - (b) after you have received notice from the Bank under paragraph 6 below we may not withdraw any moneys from the Holding Account without first obtaining the prior written consent of the Bank;
 - (c) there is a prohibition in the Debenture on the creation of any further security interest over the Holding Account; and
 - (d) you are authorised to disclose information relating to the Holding Account to the Bank on the request of the Bank.
- 5 After you have received notice from the Bank under paragraph 6 below, we irrevocably authorise and instruct you to:
 - (a) hold all moneys from time to time standing to the credit of the Holding Account to the order of the Bank; and

(b) pay all or any part of those moneys to the Bank (or as it may direct) promptly following receipt of written instructions from the Bank to that effect.

6 By counter-signing this notice the Bank confirms that you may accept instructions from us to make withdrawals from the Holding Account (without prejudice to any restrictions on our right to make such withdrawals under the Senior Facilities Agreement referred to in the Debenture) until such time as the Bank shall notify you (with a copy to us) in writing that its permission is withdrawn.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Bank.

This letter is governed by English law.

Please confirm your agreement to the above by sending an acknowledgement to the Bank in the form attached, with a copy to ourselves.

Yours faithfully,

.....

[Chargor]

.....

The Royal Bank of Scotland plc

Part 3 – Notice to Account Bank regarding the Current Accounts

[On relevant Chargor's notepaper.]

To: ** [insert name and address of Account Bank]

Date: **

Dear Sirs

Debenture dated [] between (among others) [Chargor] and The Royal Bank of Scotland plc (the Debenture)**

- 1 We refer to the follows accounts we hold with you, as they may from time to time be re-designated or re-numbered:
 - (a) [insert Account Number/Sort Code for each Current Account held by the relevant Chargor];
 - (b) **

(the Current Accounts).
- 2 We are writing to give you notice of certain rights in respect of the Current Accounts that we have granted to The Royal Bank of Scotland plc in its capacities (as applicable) as agent and security trustee for certain banks and financial institutions (the **Bank**).
- 3 Under the Debenture we have charged by way of floating charge to the Bank all amounts standing to the credit of each Current Account from time to time (each a **Deposit** and together the **Deposits**) and all of our right, title and interest in, and relating to, each Current Account.
- 4 We notify you that:
 - (a) after you have received notice from the Bank under paragraph 6 below, we may not withdraw any moneys from any Current Account without first obtaining the prior written consent of the Bank;
 - (b) there is a prohibition in the Debenture on the creation of any further Security Interest over any Current Account; and
 - (c) you are authorised to disclose information relating to the Current Accounts to the Bank on the request of the Bank.
- 5 After you have received notice from the Bank under paragraph 6 below, we irrevocably authorise and instruct you to:
 - (a) hold all moneys from time to time standing to the credit of each Current Account to the order of the Bank; and
 - (b) pay all or any part of those moneys to the Bank (or as it may direct) promptly following receipt of written instructions from the Bank to that effect.

6 By counter-signing this notice the Bank confirms that you may accept instructions from us to make withdrawals from each Current Account (without prejudice to any restrictions on our right to make such withdrawals under the Senior Facilities Agreement referred to in the Debenture) until such time as the Bank shall notify you (with a copy to us) in writing that its permission is withdrawn.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Bank.

This letter is governed by English law.

Please confirm your agreement to the above by sending an acknowledgement to the Bank in the form attached, with a copy to ourselves.

Yours faithfully,

.....

[Chargor]

The Royal Bank of Scotland plc

Part 4 – Form of acknowledgements from Account bank

[On Account Bank's notepaper]

[When preparing the form of acknowledgement letter to attach to a notice, delete/amend the references to "[Controlled Account]/[Holding Account]/[Current Accounts]" below as appropriate depending on the Account(s) to which the notice refers. Delete this note and any other square bracketed notes in italics below before the form of acknowledgement is sent to the Account Bank.]

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

Attention: **

Date: **

Dear Sirs

Debenture dated [] between (among others) [Chargor] and The Royal Bank of Scotland plc (the Debenture)**

We acknowledge receipt of a notice (the **Notice**) from ** (the **Chargor**) dated ** of the security granted by the Chargor to the Bank over the [Controlled Account] [Holding Account] [Current Accounts] under the Debenture.

Words defined in the Notice have the same meaning in this letter.

We confirm that:

(a) we acknowledge receipt of the Notice and accept the authorisations and instructions contained in the Notice and we undertake to comply with its terms;

(b) we have not received notice of:

(i) any other assignment of or encumbrance over [the Controlled Account][the Holding Account][any Current Accounts] or [the][any] Deposit; or

(ii) any interest, claim or right in or to them by any third party,

and we shall promptly give you notice of any such actual, potential or asserted assignment, encumbrance, interest, claim or right of which we become aware; and

(c) we do not, and will not, hold or otherwise have the benefit of any security interest or other encumbrance over [the Controlled Account] [the Holding Account] [any Current Accounts] or the [any] Deposit[other than in our capacity as Security Trustee for the Secured Parties referred to in the Debenture]; and

(d) we will not exercise any right of combination, consolidation, merger or set-off which we may have in respect of [the Controlled Account] [the Holding Account] [the Current Accounts] except for the netting of credit and debit balances pursuant to current account netting arrangements expressly permitted under the Senior Debt Documents (as that term applies in the Debenture) or if:

(i) at the time of exercising that right, we are a Secured Party (as that term applies in the Debenture);

- (ii) we exercise that right in respect of an obligation which purports to be secured under the Debenture; and
- (iii) we exercise that right pursuant to, or in accordance with, the terms of the Senior Debt Documents (as that term applies in the Debenture).

We are aware that you are relying on this letter in connection with your rights under the Debenture.

This letter is governed by English law.

Yours faithfully,

.....
for and on behalf of ** [Account Bank]

copy: [Chargor]

Schedule 9 – Form of Security Accession Deed

Security Accession Deed

Dated

Between

- (1) ** Limited, a company incorporated under the laws of [England and Wales] with registered number ** (the **New Chargor**);
- (2) Swanton Care & Community Limited, a company incorporated under the laws of England and Wales with registered number 05789785 (the **Company**) for itself and as agent for and on behalf of each of the existing Chargors; and
- (3) The Royal Bank of Scotland plc as agent and trustee for itself and the Secured Parties (the **Security Trustee**).

Recitals

This deed is supplemental to a debenture dated ** between, among others, the Company, the Chargors named in it] and the Security Trustee (as supplemented and amended from time to time, the **Debenture**).

This deed witnesses

1 Definitions and interpretation

1.1 Definitions

Words and expressions defined in the Debenture shall have the same meanings in this Deed.

1.2 Construction

The principles of construction set out in clause 1.2 (*Construction*) of the Debenture shall apply to this Deed, insofar as they are relevant to it, as they apply to the Debenture.

2 Accession of New Chargor

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.

3 Creation of Security

The New Chargor mortgages, charges and assigns to the Security Trustee all its business, undertaking and assets on the terms of clause 3 (*Creation of Security*) of the Debenture provided that:

- (a) the Land charged by way of legal mortgage shall be the Land referred to in Schedule 1 (*Land*);

- (b) the Shares mortgaged or (if and to the extent that the mortgage does not take effect as a mortgage) charged by way of fixed charge shall include the Shares referred to in Schedule 2 (*Shares*);
- (c) the Controlled Accounts charged by way of [fixed charge][assignment] shall include those set out in Schedule 3 (*Accounts*); [and]
- (d) the Assigned Agreements assigned or (if and to the extent that the assignment does not take effect as an assignment) charged by way of fixed charge shall include the Assigned Agreements set out in Schedule 4 (*Assigned Agreements*); and
- (e) the Insurances assigned or (if and to the extent that the assignment does not take effect as an assignment) charged by way of fixed charge shall include the Insurances set out in Schedule 5 (*Insurances*).

4 Consent of existing Chargors

The existing Chargors agree to the terms of this Deed and agree that its execution will in no way prejudice or affect the Security granted by each of them under (and covenants given by each of them in) the Debenture.

5 Notices

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

Address: **

Attention: **

Fax: **

6 Law

This Deed is governed by English law.

Executed as a deed and delivered on the date appearing at the beginning of this Deed.

Schedule 1 – Land

Schedule 2 – Shares

Schedule 3 – Controlled Accounts

Schedule 4 – Assigned Agreements

Schedule 5 – Insurances

Signatories to Security Accession Deed [do not sign]

New Chargor

Executed as a deed by)
** [New Chargor])
acting by two Directors or)
one Director and its Secretary)

Director

Director/Secretary

The Company

Executed as a deed by)
Swanton Care & Community Limited)
acting by two Directors or)
one Director and its Secretary)

Director

Director/Secretary

Security Trustee

Executed for and on behalf of)
The Royal Bank of Scotland plc)

Schedule 10 - Additional powers of Receiver

Such a Receiver shall have power:

- (a) to enter into take possession of collect and get in the Charged Property to manage the same and to collect and get in all moneys or proceeds in any way arising from the Charged Property or any deed document right or entitlement affecting the Charged Property whether directly or indirectly;
- (b) to sell exchange surrender deal with convert into money and realise the Charged Property or any estate or interest therein and convey assign or transfer the same subject to such exceptions reservations and covenants as the Security Trustee or any Receiver may consider necessary or expedient and for the purposes of realisation to convey assign or transfer the same to any person with or without consideration or exchange such for shares or other property. Plant machinery and other fixtures may be severed and sold separately from the premises containing them;
- (c) to apportion any rent and/or the performance of any obligations;
- (d) to acquire renew extend grant vary or otherwise deal with such easements rights privileges and/or licences as the Security Trustee or a Receiver considers expedient;
- (e) to grant without restriction any lease or tenancy for any term whether commencing at once or at any future date at any or no rent and with or without any premium and generally on such terms as the Security Trustee or any Receiver may consider expedient;
- (f) to accept the surrender of any lease or tenancy whether or not for the purpose of enabling a new lease to be granted;
- (g) to give an effectual receipt for any premium payable on any grant or surrender of any lease;
- (h) to exercise observe and perform for and on behalf of each Chargor any or all of the powers obligations or duties conferred or imposed on any owner or occupier of property at common law or by statute;
- (i) to initiate oppose negotiate participate in compromise or conclude any review or revision of any rent payable in respect of any lease or tenancy;
- (j) to exercise (whether on a Chargor's behalf or otherwise) any option or right of election available in law to that Chargor or the Security Trustee or any Receiver to waive exemption so that the supplies shall be supplies chargeable or taxable for VAT purposes at the standard or other applicable rate of tax;
- (k) to sign seal execute deliver complete and perfect all notices and documents as are thought fit by the Security Trustee or the Receiver for exercising observing and performing any of the powers obligations or duties conferred or imposed on any Chargor hereby or by any statute in respect of the Charged Property;
- (l) to give receipts for any compensation moneys payable to or by a landlord or tenant;
- (m) to promote incorporate manage and wind up either alone or with others any company either for the purposes of taking a conveyance or transfer or assignment or lease of or other interest in the Charged Property and/or of undertaking works thereon and/or of providing services to

the occupiers thereof in any case where it is desirable or convenient to do so and/or in connection with or for the furtherance of all or any of the powers herein contained as the Security Trustee or the Receiver may consider expedient;

- (n) to construct or complete any building (whether or not the same is in accordance with the development planned or being carried on at the Legally Mortgaged Property) and any roads access ways and services and generally to develop the Legally Mortgaged Property in such manner as the Security Trustee or the Receiver may consider expedient;
- (o) to carry out any work involving furnishing or fitting out or the installation or provision of any plant machinery equipment or service;
- (p) to utilise any moneys at any time or from time to time received for the purposes of financing any expenditure at any time or from time to time incurred in connection with or incidental to the exercise of any of the powers herein contained in advance of any other payments;
- (q) to continue commence or undertake any business (whether or not previously carried on by a Chargor);
- (r) to borrow or raise or secure the payment of money which may be required for the exercise of any of the powers set out in this clause in such manner including the creation of new mortgages or charges (whether or not having priority to this charge) as may be considered expedient;
- (s) to obtain renew extend amend or otherwise deal with such permissions consents and/or licences for the benefit of or otherwise connected with or ancillary to the Charged Property or the use or development of any business comprised therein as the Security Trustee or the Receiver may consider necessary or desirable;
- (t) to agree any variation modification or determination of any existing deeds or agreements and enter into make or obtain any new agreements deeds or bonds which may be necessary or desirable;
- (u) to employ staff solicitors architects surveyors quantity surveyors estate agents insurance brokers contractors builders workmen security staff watchmen building managers and others and purchase all proper stock materials and other items as the Security Trustee or the Receiver may consider expedient;
- (v) to dedicate any part or parts of the Legally Mortgaged Property as a highway where to do so is desirable in order that the Legally Mortgaged Property may more conveniently be developed;
- (w) to make any change or arrangement as to boundaries with adjoining owners and neighbours so as to resolve any dispute or to facilitate development;
- (x) to effect and maintain insurance policies (whether against fire and other physical risks loss of rent or third party or public liability or structural or latent defect or for other indemnity or otherwise) and to make prove negotiate adjust or enforce any claim on any such policy whether effected by a Chargor or the Security Trustee or the Receiver;
- (y) to take defend appeal or otherwise join in any proceedings (including any arbitration or determination of any issue or dispute by an independent expert) concerning or incidental to the Charged Property or to any of the foregoing powers;

- (z) to make any arrangement or compromise or enter into any contracts which may be thought expedient in the interest of the Security Trustee and/or the Secured Parties; and
- (aa) to do all such other acts and things as the Security Trustee or the Receiver may consider necessary or desirable for the management development or realisation of all or any part or parts of the Charged Property and/or acts and things incidental or ancillary to the foregoing powers and their exercise.

Signatories to Debenture

The Company

Executed as a deed by
Swanton Care & Community Limited
acting by a director in the presence of

[Redacted Signature]

Dr Alison Jane
Rose-Quirie

Signature of witness:

Name of witness:

Address

[Redacted Signature]

Alexander
Cowie

The Original Chargors

Executed as a deed by
Swanton Care & Community Limited
acting by a
director in the presence of:

[Redacted Signature]

Dr Alison Jane
Rose-Quirie

Signature of witness:

Name of witness:

Address

[Redacted Signature]

Alexander
Cowie

Executed as a deed by
Swanton Care & Community (Glenpath Holdings) Limited
acting by a
director in the presence of:

Dr Alison Jane
Rose-Quirie

Signature of witness:

Alexander
Cowie

Name of witness:

Address

Executed as a deed by
Swanton Care & Community (Andrew Frederick Care Homes) Limited
acting by a
director in the presence of:

Dr Alison Jane
Rose-Quirie

Signature of witness:

Alexander
Cowie

Name of witness:

Address

Executed as a deed by)
Swanton Care & Community (Maesteilo)
Care Homes) Limited)
acting by a)
director in the presence of:)

Dr Alison Jane
Rose-Quirie

Signature of witness:

Alexander
Cowie

Name of witness:

Address

Executed as a deed by)
Swanton Care & Community (Autism)
North) Limited)
acting by a)
director in the presence of:)

Dr Alison Jane
Rose-Quirie

Signature of witness:

Alexander
Cowie

Name of witness:

Address

Executed as a deed by
**Swanton Care & Community (Southfield
House Care Services) Limited**
acting by a
director in the presence of:

Dr Alison Jane
Rose-Quirie

Signature of witness:

Alexander
Cowie

Name of witness:

Address

Signed for and on behalf of
The Royal Bank of Scotland plc

)
)

Executed as a deed by)
Swanton Care & Community (Southfield)
House Care Services) Limited)
acting by a)
director in the presence of:)

Signature of witness:

Name of witness:

Address

.....

.....

Signed for and on behalf of)
The Royal Bank of Scotland plc)



Andrew Guthrie