

Particulars of a mortgage or charge

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

2111

4790588

Name of company

* Craegmoor Homes Limited (the "Company")

Date of creation of the charge

16 October 2003

Description of the instrument (if any) creating or evidencing the charge (note 2)

Debenture (the "Debenture") dated 16 October 2003 between (1) the Company and (2) Barclays Bank PLC (the "Bank").

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to the Bank under the Development Facility Agreement together with all costs, charges and expenses incurred by the Bank in connection with the protection, preservation or enforcement (in the case of protection or preservation, to the extent such costs, charges and expenses are reasonable) of its rights under the Development Facility Agreement or any other document evidencing or securing any such liabilities (the "Secured Liabilities").

Names and addresses of the mortgagees or persons entitled to the charge

Barclays Bank PLC of 54 Lombard Street, London

Postcode EC3V 9EX

Presentor's name address and reference (if any):

Barlow Lyde & Gilbert
Beaufort House
15 St Botolph Street
London
EC3A 7NJ

40210-46/RNJ/AGS/#3241451

Time critical reference

For official Use
Mortgage Section

Post room



LD3
COMPANIES HOUSE

0732
31/10/03

See Schedule 1 for particulars of the property mortgaged or charged and Schedule 2 for the definitions of terms used in this Form 395 and in Schedule 1.

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Barran Hughes & Co

Date

31 October 2003

On behalf of [company] ~~XXXXXXXXXXXX~~ [mortgagee/chargee]

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,
 for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF14 3UZ

**SHORT PARTICULARS OF THE PROPERTY MORTGAGED OR
CHARGED PURSUANT TO THE DEBENTURE**

1 CHARGING PROVISIONS**1.1 Fixed Charge**

The Company with full title guarantee charged with the payment or discharge of all moneys and liabilities covenanted to be paid or discharged by the Company pursuant to clause 2 of the Debenture:

- 1.1.1 by way of first legal mortgage all the freehold and leasehold property of the Company known as James House, Little Hill, New Exeter Road, Chudleigh, Devon registered with title number DN175843, together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- 1.1.2 by way of first legal mortgage all other freehold and leasehold property of the Company vested in it at the date of the Debenture (whether or not registered at HM Land Registry) together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- 1.1.3 by way of first fixed charge all future freehold and leasehold property of the Company together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and all the goodwill and uncalled capital for the time being of the Company;
- 1.1.4 by way of first fixed charge all book debts and other debts at the date of the Debenture and from time to time due or owing to the Company;
- 1.1.5 by way of first fixed charge the benefit (at the date of the Debenture and thereafter) of all licences, permissions, consents and authorisations (statutory or otherwise) held in connection with its business or the use of any of the freehold or leasehold property specified in paragraph 1.1.1 above and the right to recover and receive all compensation which may at any time become payable to it in respect thereof; and
- 1.1.6 by way of first fixed charge all stocks, shares, debentures, bonds, warrants, coupons or other securities and investments at the date of the Debenture or thereafter owned by the Company from time to time.

1.2 Floating Charge

The Company with full title guarantee charged with the payment or discharge of all moneys and liabilities covenanted to be paid or discharged pursuant to clause 2 of the Debenture by the Company by way of a first floating charge the

**SHORT PARTICULARS OF THE PROPERTY MORTGAGED OR
CHARGED PURSUANT TO THE DEBENTURE**

undertaking and all other assets of the Company whatsoever and wheresoever both at the date of the Debenture and thereafter but so that the Company is not to be at liberty to create any mortgage or charge upon and so that no lien shall in any case or in any manner arise on or affect any part of the Security Assets either in priority to or pari passu with this floating charge except in favour of the Bank and further that the Company shall have no power without the consent of the Bank to part with or dispose of any part of such Security Assets except by way of sale in the ordinary course of its business. These floating charges are "qualifying floating charges" for the purposes of paragraph 14.2(a) of Schedule B1 of the Insolvency Act 1986, as amended by the Enterprise Act 2002.

2 FURTHER ASSURANCE

Any debentures, mortgages or charges created by the Company after the date of the Debenture (otherwise than in favour of the Bank) shall be expressed to be subject to the Debenture. The Company shall subject to the rights of any prior mortgagee deposit with the Bank and the Bank during the continuance of the security shall be entitled to hold all deeds and documents of title relating to the freehold and leasehold property of the Company for the time being and the Company shall on demand in writing made to the Company by the Bank at the cost of the Company execute a valid legal mortgage of any freehold and leasehold properties acquired by it after the date of the Debenture and the fixed plant and machinery thereon to secure the payment or discharge to the Bank of the moneys and liabilities secured by the Debenture such legal mortgage to be in the form of the Supplemental Legal Mortgage or in such form as the Bank may require but on terms no more onerous than those of the Debenture.

**DEFINITIONS OF TERMS USED IN FORM 395 AND SCHEDULE 1, AS
USED IN THE DEBENTURE**

Accession Agreement: a Guarantor Accession Agreement;

Advance: the principal amount of each borrowing under the Development Facility Agreement or the principal amount of such borrowing outstanding from time to time;

Approved Companies: the entire issued share capital of a limited liability company incorporated in England and Wales or in Scotland whose sole business activities comprise owning and running Care Homes satisfying the criteria agreed from time to time between the Obligors' Agent and the Facility Agent and which is approved in writing by the Facility Agent;

Borrower: the Parent and/or the Company and, as the context requires and in relation to any Advance, the borrower of such Advance;

Care Homes: a nursing home, residential home or specialist care home providing medical or social care which may be required to be registered by a Health Authority or a Local Authority under the Relevant Act;

Development Facility Agreement: the £15,000,000 term loan facility agreement dated 16 October 2003 between the Company, Craegmoor Group Limited and the Bank, together with each Guarantor Accession Agreement and Substitution Certificate relating thereto and any and each other agreement or instrument supplementing or amending it,

Facility Agent: Barclays Bank PLC in its capacity as facility agent for the lenders under the Warehouse Facility Agreement and its permitted successors and assigns;

Guarantor: each company listed in Schedule 1 to the Development Facility Agreement or any other company which becomes a Guarantor by a guarantor accession deed;

Guarantor Accession Agreement: an agreement substantially in the form of Schedule F of the Warehouse Facility Agreement;

Health Authority: a health authority in England and Wales or a health board (or, where applicable, local authority) in Scotland;

Local Authority: a local authority in England and Wales or a local authority in Scotland;

Obligor: each Borrower and Guarantor;

Obligor's Agent: the Company, appointed to act on behalf of each Obligor pursuant to clause 2.3(b) of the Warehouse Facility Agreement;

**DEFINITIONS OF TERMS USED IN FORM 395 AND SCHEDULE 1, AS
USED IN THE DEBENTURE**

Parent: Craegmoor Group Limited (formerly Craegmoor Healthcare Company Limited) a company incorporated in England and Wales (No. 2825572);

Relevant Act: means:

- (a) in the case of a Care Home located in England and Wales, the Mental Health Act 1983, the Children Act 1989, the Registered Homes Act 1984 or the Care Standards Act 2000; and
- (b) in the case of a Care Home located in Scotland, the Nursing Homes Registration (Scotland) Act 1938 (as amended) or (as applicable) the Social Work (Scotland) Act 1968;

Security Assets: all assets of the Company that are the subject of any security created by the Debenture;

Substitution Certificate: a certificate in the form of Schedule D to the Warehouse Facility Agreement;

Supplemental Legal Mortgage: a supplemental legal mortgage in the form set out in Schedule 2 to the Debenture;

Warehouse Facility Agreement: the £60,000,000 term loan facility agreement dated 16 October 2003 between the Company, Craegmoor Group Limited, and the Bank (in the capacity of lender, arranger, facility agent and security agent), together with each Accession Agreement and Substitution Certificate relating thereto and any and each other agreement or instrument supplementing or amending it;

Warehouse Group: that group of companies consisting of the Company and Approved Companies purchased from time to time by the Parent as contemplated by clause 3.1(a) of the Warehouse Facility Agreement.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 04790588

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 16th OCTOBER 2003 AND CREATED BY CRAEGMOOR HOMES LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM EACH OBLIGOR TO THE LENDER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 31st OCTOBER 2003.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 4th NOVEMBER 2003.

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Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES