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

*insert full name
of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

A fee of £13 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

3111

5401308

Name of company

* PARTNERSHIPS IN CARE MANAGEMENT LIMITED (the "Company")

Date of creation of the charge

12 February 2008

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

SECURITY ASSIGNMENT DEED dated 12 February 2008 between the Company and the Security Agent (the "Security Assignment")

Amount secured by the mortgage or charge

10 All money or liabilities due, owing or incurred to any Secured Party by any Charging Company or any other Obligor under any Finance Document at 12 February 2008 or in the future, in any manner whether actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing thereon and including all liabilities in connection with any notes, bills or other instruments accepted by any Secured Party under or in connection with the Finance Documents for or at the request of an Obligor and all losses incurred by any Secured Party in connection therewith except for any money or liability which, if it were so included, would cause the infringement of section 151 of the Companies Act 1985 (the "Indebtedness")

Continued on Addendum 2/4

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

THE ROYAL BANK OF SCOTLAND PLC, 135 Bishopsgate, London, as security trustee for itself and the other Secured Parties (the "Security Agent")

Postcode EC2M 3UR

Presentor's name address and
reference (if any)

Ashurst LLP
Broadwalk House
5 Appold Street
London
EC2A 2HA

KZT/RRL/R546 00613/8670481

Time critical reference

For official Use (06/2005)
Mortgage Section

Post room

SATURDAY



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23/02/2008

130

COMPANIES HOUSE

1 SECURITY ASSIGNMENT

(a) As security for the payment of the Indebtedness, the Company has assigned absolutely with full title guarantee to the Security Agent all its rights, title and interest as at 12 February 2008 and in the future in each Assigned Agreement, provided that on payment or discharge in full of the Indebtedness the Security Agent will at the request and cost of the Company re-assign all its rights, title and interest as at 12 February 2008 and in the future in each Assigned Agreement to the Company (or as it shall direct)

(b) Until the occurrence of a Declared Default, but subject to clause 3 (Assigned Agreements) of the Security Assignment, as set out in clause 2 below, the Company may continue to deal with the counterparties to each Assigned Agreement

Continued on Addendum 4/4

Particulars as to commission allowance or discount (note 3)

N/A

Signed

Ashmont LLP

Date

22 February 2008

On behalf of ~~XXXXXXXXXXXXXXXXXXXX~~ (chargee) †

Please do not
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this margin

*Please complete
legibly, preferably
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bold block
lettering*

*A fee 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 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is **Companies House, Crown Way, Cardiff CF14 3UZ**

Name of company

*insert full name
of Company

* PARTNERSHIPS IN CARE MANAGEMENT LIMITED (the "Company")

Addendum 1/4

1 Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Addendum 2/4

2 Amount due or owing on the mortgage or charge (continued)

NOTE

In this form

"Assigned Agreement" means

(a) the share purchase agreement dated 6 December 2007 (as amended from time to time) between (1) Covenant Healthcare Rehabilitation (Holdings) Limited (CRN 4727103) and (2) Partnerships in Care Management Limited (CRN 5401308), and

(b) the tax covenant dated 12 February 2008 between (1) Covenant Healthcare Rehabilitation (Holdings) Limited (CRN 4727103) and (2) Partnerships in Care Management Limited (CRN 5401308)

(each an "Assigned Agreement" and together the "Assigned Agreements"),

"Borrower" means Borrower as such term is defined in the Senior Credit Agreement,

"Charging Company" means the Parent, each of the companies listed in schedule 1 to the Debenture and each company which grants security over its assets in favour of the Security Agent by executing a Security Accession Deed (as such term is defined in the Debenture),

"Debenture" means the debenture dated 6 July 2005 between, amongst others, the Company and the Security Agent,

"Declared Default" means an Event of Default which has resulted in the Facility Agent exercising any of its rights under clause 24 18 (Acceleration) of the Senior Credit Agreement,

"Event of Default" means any event or circumstance specified as such in clause 24 (Events of Default) of the Senior Credit Agreement,

"Facility Agent" means The Royal Bank of Scotland plc,

"Finance Document" means the Senior Credit Agreement, each Security Document, the Intercreditor Document, the Intercreditor Accession Deed, the Restatement Agreement, each Hedging Agreement, each Ancillary Document, each Accession Document, each Transfer Certificate, the Fees Letters (as all such terms are defined in the Senior Credit Agreement), each amendment letter which amends and restates the terms of the Senior Credit Agreement and any other document designated as a Finance Document by the Parent and the Facility Agent on or after the date of the Senior Credit Agreement,

"Finance Parties" means each Arranger, each Agent, each Lender, each Ancillary Lender, each Issuing Lender and each Hedging Lender (as all such terms are defined in the Senior Credit Agreement),

"Guarantor" means Guarantor as such term is defined in the Senior Credit Agreement,

"Obligor" means a Borrower or a Guarantor,

"Parent" means Partnerships in Care Holdings Limited (CRN 5403366),

Company number

5401308

Name of company

*insert full name
of Company

* PARTNERSHIPS IN CARE MANAGEMENT LIMITED (the "Company")

"Secured Parties" means the Senior Finance Parties,

"Security Interest" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect,

"Senior Credit Agreement" means the credit agreement dated 6 July 2005 (as amended by a supplemental agreement dated 11 August 2005 and as amended and restated by restatement agreements dated 7 September 2006 and letter agreements dated 10 November 2006, 5 February 2007 and 22 November 2007) under which certain lenders have made available certain facilities to the Borrowers (as defined therein), and

"Senior Finance Parties" means the Finance Parties.

Addendum 3/4

3 Names, addresses and description of the mortgages or persons entitled to the charge (continued)

Name of company

*insert full name
of Company

* PARTNERSHIPS IN CARE MANAGEMENT LIMITED (the "Company")

Addendum 4/4

4 Short particulars of all the property mortgaged or charged (continued)

2 ASSIGNED AGREEMENTS

The Company will

- (a) perform all its obligations under (if any) each Assigned Agreement in a diligent and timely manner, and
- (b) promptly after the execution of the Security Assignment, give notice to the other parties to each Assigned Agreement that it has assigned its rights (if any) under that Assigned Agreement to the Security Agent under the Security Assignment. Such notice will be given in substantially the form set out in schedule 1 to the Security Assignment. The Company will use all reasonable endeavours to procure that each party served with any such notice countersigns and returns the notice to the Security Agent within 14 days of execution of the Security Assignment.

3 NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

The Company shall not

- (a) create or agree to create or permit to subsist any Security Interest over all or any part of any Assigned Agreement,
- (b) sell, transfer, or otherwise dispose of all or any part of any Assigned Agreement or the right to receive or to be paid the proceeds arising on the disposal of the same, or agree or attempt to do so, or
- (c) dispose of the equity of redemption in respect of all or part of any Assigned Agreement,

except as permitted by the Senior Credit Agreement or with the prior consent of the Security Agent not to be unreasonably withheld



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

**COMPANY NO. 5401308
CHARGE NO. 3**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A SECURITY ASSIGNMENT DEED
DATED 12 FEBRUARY 2008 AND CREATED BY PARTNERSHIPS
IN CARE MANAGEMENT LIMITED FOR SECURING ALL MONIES
DUE OR TO BECOME DUE FROM ANY CHARGING COMPANY
OR ANY OTHER OBLIGER TO ANY SECURED PARTY ON ANY
ACCOUNT WHATSOEVER 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 23 FEBRUARY
2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 28 FEBRUARY
2008



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES