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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

2111

06671587

Name of company

* Carewatch Holdings Limited ("**Assignor**")

Date of creation of the charge

17 December 2008

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

Insurance Assignment of Key-man Policies ("**Deed**")

Amount secured by the mortgage or charge

Please see Schedules 1 and 3 attached.

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

Barclays Bank PLC as security trustee for the Secured Parties (as defined
in Schedule 3 attached) (in such capacity, the "**Security Agent**"), 5 The
North Colonnade, Canary Wharf, London

Postcode E14 4BB

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

DLA Piper UK LLP
Victoria Square House
Victoria Square
Birmingham
B2 4DL

GL/86677/120936/22040864

Time critical reference

For official Use (06/2005)
Mortgage Section



PMO

PG5N7004
23/12/08 154
COMPANIES HOUSE

A35

19/12/2008

232

COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

Please see Schedules 2 and 3 attached.

NO Key...
* policies.

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legibly, preferably
in black type, or
bold block
lettering**

Particulars as to commission allowance or discount (note 3)

None

Signed DLA Piper UK LLP

Date 18 December 2008

On behalf of XXXXXX [mortgagee/chargee] †

*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

**SCHEDULES TO FORM 395 - RELATING TO CAREWATCH HOLDINGS LIMITED
(06671587) AND AN INSURANCE ASSIGNMENT OF KEY-MAN POLICIES**

Charges in favour of Barclays Bank PLC (as Security Agent (as defined in Schedule 3))

SCHEDULE 1 - AMOUNT SECURED BY THE MORTGAGE OR CHARGE

danger All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of each present or future member of the Group to the Security Agent and/or the other secured parties (or any of them) under or pursuant to each or any of the Finance Documents together with all costs, charges and expenses incurred by any Secured Party in connection with the preservation or enforcement of its respective rights under the Finance Documents (including all monies covenanted to be paid under the Deed), provided that no obligation or liability shall be included in the definition of "Secured Obligations" to the extent that, if it were so included, the Deed (or any part of it) would constitute unlawful financial assistance within the meaning of the section 151 and 152 of the Companies Act 1985. *T
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**SCHEDULE 2 - SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR
CHARGED**

1. COVENANT TO PAY

1.1 Covenant to pay

- (a) The Assignor as principal obligor and not merely as surety covenants in favour of the Security Agent that it will pay and discharge the Secured Obligations from time to time when they fall due in accordance with the terms of the relevant Finance Document.
- (b) Every payment by the Assignor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable in accordance with the relevant Finance Document under which such sum is payable to that Secured Party, shall operate in satisfaction of the same extent of the covenant contained in clause 2.1(a) of the Deed.

1.2 Default interest

Any amount which is not paid under the Deed when due and payable shall bear interest (both before and after judgment and payable on demand) from the due date

until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis:

- (a) at the rate and in the manner agreed in the relevant Finance Document under which such amount is payable; or
- (b) (in the absence of such agreement) at the Default Rate as determined under the Senior Facilities (if prior to the Senior Discharge Date) or the Mezzanine Facility Agreement (on or after the Senior Discharge Date) from time to time. In such a case default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Security Agent (acting on the instructions of the Relevant Agent) (acting reasonably) states are appropriate.

2. GRANT OF SECURITY

2.1 Nature of security

All Security and dispositions created or made by or pursuant to the Deed are created or made:

- (a) in favour of the Security Agent;
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- (c) as continuing security for payment of the Secured Obligations.

2.2 Assignment

The Assignor assigns and agrees to assign absolutely (subject only to the proviso for reassignment on redemption in clause 3.3 (*Reassignment*) of the Deed) and to the provisions of the Senior Facilities Agreement (if prior to the Senior Discharge Date) or the Mezzanine Facility Agreement (on or after the Senior Discharge Date)) all its present and future right, title and interest in and to:

- (a) the Keyman Policies; together with
- (b) (1) all rights and remedies in connection with, and the full benefit of, the Keyman Policies (including the right to give an effective discharge for the

monies assured or otherwise payable under them) and (2) all monies (including bonuses), proceeds and claims arising from any Keyman Policy,

save that the exercise of all rights and remedies in connection with such Keyman Policies, the exercise of any discretions or judgements, the giving of any waivers or consents and any entitlement to all proceeds and claims arising therefrom, shall, in the absence of an Event of Default which is continuing, be exercised at the sole discretion of the Assignor, subject always to the terms of the Senior Facilities Agreement (if prior to the Senior Discharge Date) and the Mezzanine Facility Agreement (on or after the Senior Discharge Date).

2.3 Reassignment

Upon the expiry of the Security Period (but not otherwise) the Security Agent shall, at the request and cost of the Assignor, take whatever action is necessary to re-assign (without recourse or warranty) the Keyman Policies (or release the proceeds paid by the Insurer in respect of any Keyman Policy) to the Assignor (or such other person as the Assignor shall direct for the purpose) and shall (at the cost of the Assignor) take all steps available to it to facilitate the same.

3. NEGATIVE PLEDGE

Save as permitted under any Finance Document, the Assignor shall not do any of the following without the prior written consent of the Security Agent (such consent not to be unreasonably withheld or delayed):

- (a) create or permit to subsist any Security on any Assigned Asset (other than as created by the Deed or the Debenture and except where such interest is constituted by a Permitted Security); or
- (b) sell, transfer, lease or otherwise dispose of (whether by a single transaction or a number of transactions, whether related or not) the whole or any part of its interest in any Assigned Asset, except for a Permitted Disposal.

4. FURTHER ASSURANCES

Subject to the Agreed Security Principles, the Assignor shall, at its own expense, promptly do all acts and execute all documents as the Security Agent may reasonably and properly specify for:

- (a) creating, perfecting or protecting the Security over the Assigned Assets intended to be created by the Deed;
- (b) after the Insurance Security intended to be created by the Deed has become enforceable, facilitating the realisation of any Assigned Asset or the exercise of any rights, powers and remedies exercisable by the Security Agent, any other Secured Party or any Delegate in respect of any Assigned Asset.

This includes, subject to the Agreed Security Principles:

- (i) the re-execution of the Deed or the execution of any transfer, assignment, assignation or assurance of any Assigned Asset (including any new or replacement Keyman Policy), whether to the Security Agent or to its nominee;
- (ii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent (acting reasonably) may think expedient and in each case, in a manner which is consistent with the remaining provisions of the Deed and, in the case of any document required to be executed under clause 14 of the Deed, containing clauses corresponding to and which are on terms no more onerous than the provisions of the Deed.

SCHEDULE 3 - TABLE OF DEFINITIONS

In the Deed:

- (a) until the Senior Discharge Date, terms defined in, or construed for the purposes of, the Senior Facilities Agreement (as defined below) have the same meanings when used in the Deed (unless the same are otherwise defined in the Deed);
- (b) after the Senior Discharge Date, terms defined in or construed for the purpose of the Mezzanine Facility Agreement (as defined below) have the same meaning when used in the Deed (unless the same are otherwise defined in the Deed); and

(c) at all times the following terms have the following meanings:

"Acceptable Bank" means:

- (a) a bank or financial institution which has a rating for its long-term unsecured and non credit-enhanced debt obligations of A or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or A2 or higher by Moody's Investors Service Limited or a comparable rating from an internationally recognised credit rating agency; or
- (b) any other bank or financial institution approved by the Agent (such approval not to be unreasonably withheld or delayed);

"Accounting Principles" means generally accepted accounting principles in the UK (which for the avoidance of doubt includes IFRS);

"Additional Borrower" means a company which becomes a Borrower in accordance with clause 28 (*Changes to the Obligors*) of the Senior Facilities Agreement;

"Additional Guarantor" means a company which becomes a Guarantor in accordance with clause 28 (*Changes to the Obligors*) of the Senior Facilities Agreement;

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company;

"Agent" means Barclays Bank PLC;

"Agreed Security Principles" means the agreed security principles as set out in schedule 11 (*Agreed Security Principles*) of the Senior Facilities Agreement;

"Ancillary Facility" means any ancillary facility made available by an Ancillary Lender in accordance with clause 6 (*Ancillary Facilities*) of the Senior Facilities Agreement;

"Ancillary Lender" means each Lender (or Affiliate of a Lender) which makes available an Ancillary Facility in accordance with clause 6 (*Ancillary Facilities*) of the Senior Facilities Agreement;

"Assetco" means Carewatch Acquisitions Limited whose company number is 6662713 and whose registered office is 1 Queen Square, Brighton, East Sussex BN1 3FD;

"Asset Vendor" means Nestor Primecare Services Limited, a company incorporated under the laws of England and Wales with company registration number 01963820;

"Assigned Assets" means the assets expressed to be assigned pursuant to clause 3.2 (*Assignment*) of the Deed;

"Borrower" means an Original Borrower or an Additional Borrower unless it has ceased to be a Borrower in accordance with clause 28 (*Changes to the Obligor*) of the Senior Facilities Agreement;

"Cash Equivalent Investments" means at any time:

- (a) certificates of deposit maturing within one year after the relevant date of calculation and issued by an Acceptable Bank;
- (b) any investment in marketable debt obligations issued or guaranteed by the government of the United Kingdom or the United States of America, any member state of the European Economic Area or any Participating Member State or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable to any other security;
- (c) commercial paper not convertible or exchangeable to any other security:
 - (i) for which a recognised trading market exists;
 - (ii) issued by an issuer incorporated in the United Kingdom or the United States of America, any member state of the European Economic Area or any Participating Member State;
 - (iii) which matures within one year after the relevant date of calculation; and
 - (iv) which has a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating;
- (d) Sterling bills of exchange eligible for rediscount at the Bank of England and accepted by an Acceptable Bank (or their dematerialised equivalent);

- (e) any investment in money market funds which (A) have a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited, (B) which invest substantially all their assets in securities of the types described in paragraphs (a) to (d) above and (C) can be turned into cash on not more than 30 days' notice; or
- (f) any other debt security approved by the Majority Lenders,

in each case, to which any member of the Group is beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any Security (other than Security arising under the Transaction Security Documents);

"Closing Date" means the date on which Completion occurs;

"Company" means Carewatch Bidco Limited whose company number is 6662786 and whose registered office is 1 Queen Square, Brighton, East Sussex BN1 3FD;

"Completion" means the completion of the Initial Acquisition in accordance with clause 6 of the Share and Asset Acquisition Agreement;

"Debenture" means the composite debenture dated 14 September 2008 and made between (1) the companies listed in schedule 1 to it as Original Charging Companies and (2) the Security Agent;

"Default Rate" means the rates of interest determined in accordance with clause 11.3 of the Senior Facilities Agreement and clause 10.3 of the Mezzanine Facility Agreement;

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

"Disposal Proceeds" has the meaning given to that term in clause 9.2 (*Disposal, Insurance and Acquisition Proceeds and Excess Cashflow*) of the Senior Facilities Agreement;

"Event of Default" means each Event of Default as defined in the Senior Facilities Agreement and/or the Mezzanine Facility Agreement;

"Finance Document" means any Senior Facility Document and any Mezzanine Finance Document;

"Finance Lease" means any lease or lease purchase contract which would, in accordance with the Accounting Principles, be treated as a finance lease or capital lease;

"Financial Indebtedness" means, without double counting, any indebtedness for or in respect of:

- (a) monies borrowed and debit balances at banks or other financial institutions;
- (b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any Finance Lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (g) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value as at the relevant date on which the Financial Indebtedness is calculated (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
- (h) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) prior to the date upon which each Facility is repaid in full;
- (i) any amount of any liability under an advance or deferred purchase agreement if (A) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (B) the agreement is in respect of the supply of assets or services and payment is due more than 150 days after the date of supply, and for the avoidance of doubt excluding trade credit on customary commercial terms up to 150 days not for the purpose of raising finance;
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing; and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above;

"Financial Year" has the meaning given to that term in clause 23.1 (*Financial Covenants*) of the Senior Facilities Agreement;

"Group" means the Parent, the Company and Assetco, and (from Completion) the Target and each of their respective Subsidiaries for the time being;

"Guarantor" means an Original Guarantor or an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with clause 28 (*Changes to the Obligors*) of the Senior Facilities Agreement;

"Hedge Counterparty" means the Original Hedge Counterparty and a Lender or an Affiliate of a Lender which is or has become a party to the Intercreditor Agreement as a Hedge Counterparty in accordance with the Intercreditor Agreement;

"Hedging Agreement" means any master agreement, confirmation, schedule or other agreement including, for the avoidance of doubt, the ISDA Master Agreement entered into or to be entered into by the Company, a Borrower and a Hedge Counterparty for the purpose of hedging interest rate liabilities and/or any exchange rate or other risks in relation to all or part of the Term Facilities or the Mezzanine Facility in accordance with the Hedging Letter delivered to the Agent under clause 4.1 (*Initial conditions precedent*) of the Senior Facilities Agreement;

"Hedging Letter" has the meaning given to that term in Part 1 of Schedule 2 (*Conditions Precedent*) of the Senior Facilities Agreement;

"Holding Account" means an interest bearing account:

- (a) held in the United Kingdom by a member of the Group with the Agent or Security Agent;
- (b) identified in a letter between the Parent and the Agent as a Holding Account; and
- (c) subject to Security in favour of the Security Agent which Security is granted under the terms of, or substantially in the same form as, the Transaction Security Documents provided pursuant to clause 4.1 (*Initial conditions precedent*) of the Senior Facilities Agreement,

(as the same may be redesignated, substituted or replaced from time to time);

"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary;

"Initial Acquisition Documents" means the Share and Asset Acquisition Agreement, the Acquisition Disclosure Letter, the Tax Deed, the Transitional Services Agreement, the Registered IPR

Assignment, and any other document in connection with the Initial Acquisition designated by the Agent and the Parent as an **"Initial Acquisition Document"** (as each are defined in the Senior Facilities Agreement);

"Insurance Security" means the Security created or evidenced by or pursuant to the Deed;

"Insurer" means the company or office which issues or is directed by the Security Agent to issue any Keyman Policy;

"ISDA Master Agreement" means the 1992 Master Agreement published by the International Swaps and Derivatives Association;

"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, know-how 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 member of the Group (which may now or in the future subsist);

"Intercreditor Agreement" means the intercreditor agreement dated 14 September 2008 and made between the Parent, the other Obligors, Barclays Bank PLC as security agent, Barclays Bank PLC as senior agent, Barclays Leveraged Finance as senior arranger, Barclays Leveraged Finance as mezzanine arrangers, Barclays Bank PLC as mezzanine agent, the Lenders, the Hedge Counterparties, the Mezzanine Lenders (as defined in the Intercreditor Agreement), the Original Institutional Investors (each as defined in the Intercreditor Agreement) and certain others;

"Investment Documents" means the Investment Agreement, the Intra-Group Downstream Loan Agreement, the Constitutional Documents, the Equity Disclosure Letter, and the Loan Note Documents (as each are defined in the Senior Facilities Agreement);

"Keyman Policy" means:

- (a) each policy of insurance particulars of which are set out in schedule 1 (*Details of Keyman Policies*) of the Deed as amended, supplemented or novated in any way from time to time;
- (b) each policy issued at any time in replacement or substitution of any policy referred to in paragraph (a) of this definition;

"Lender" means:

- (a) any Original Lender; and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with clause 27 (*Changes to the Lenders*) of the Senior Facilities Agreement,

which in each case has not ceased to be a Party in accordance with the terms of the Senior Facilities Agreement;

"Majority Lenders" means:

- (a) (for the purposes of clause 37.1(a) of the Senior Facilities Agreement in the context of a waiver in relation to a proposed Utilisation of the Revolving Facility (other than a Utilisation on the Closing Date) of the condition in clause 4.2 (*Further conditions precedent*) of the Senior Facilities Agreement), a Lender or Lenders whose Revolving Facility Commitments aggregate more than 66⅔ per cent of the Total Revolving Facility Commitments; and
- (b) (in any other case), a Lender or Lenders whose Commitments aggregate more than 66⅔ per cent of the Total Commitments (or, if the Total Commitments have been reduced to zero, aggregated more than 66⅔ per cent of the Total Commitments immediately prior to that reduction);

"Mezzanine Facility Agreement" means the mezzanine facility agreement dated 14 September 2008 and made between (1) Carewatch Holdings Limited as the Parent, (2) the company named therein as the Company, (3) the companies listed in part 1 of schedule 1 as Original Mezzanine Guarantors, (4) Barclays Leveraged Finance as Mezzanine Arranger, (5) the financial institutions listed in part 2 of schedule 1 as Original Mezzanine Lenders, (6) Barclays Bank PLC as Mezzanine Agent and (7) Barclays Bank PLC as Security Agent (as supplemented, amended, novated and/or restated from time to time);

"Mezzanine Finance Document" means any "Finance Document" as such term is defined in the Mezzanine Facility Agreement;

"Obligor" means a Borrower or a Guarantor;

"Original Borrowers" means the companies listed in Part 1 of Schedule 1 of the Senior Facilities Agreement;

"Original Guarantors" means the companies listed in Part 1 of Schedule 1 of the Senior Facilities Agreement;

"Original Hedge Counterparty" means Barclays Capital, a division of Barclays Bank PLC;

"Original Lenders" means the financial institutions listed in Part 2 of Schedule 1 of the Senior Facilities Agreement;

"Parent" means Carewatch Holdings Limited whose company number is 6671587 and whose registered office is at 1 Queen Square, Brighton, East Sussex BN1 3FD;

"Participating Member State" means any member state of the European Communities that adopts or has adopted the euro as its lawful currency in accordance with legislation of the European Community relating to Economic and Monetary Union;

"Permitted Disposal" means any sale, lease, licence, transfer or other disposal which is (save in the case of a disposal referred to in paragraph (b) below) on arm's length terms:

- (a) of trading stock, cash or of franchise rights made by any member of the Group in the ordinary course of trading of the disposing entity or the entry into or termination or disposal of any rack rental leasehold interests in the ordinary course of business of the relevant member of the Group;
- (b) of any asset by a member of the Group (the **"Disposing Company"**) to another member of the Group (the **"Acquiring Company"**), but if:
 - (i) the Disposing Company is an Obligor, the Acquiring Company must also be an Obligor;
 - (ii) the Disposing Company had given Security over the asset, the Acquiring Company must give equivalent Security over that asset; and
 - (iii) the Disposing Company is a Guarantor, the Acquiring Company must be a Guarantor guaranteeing at all times an amount no less than that guaranteed by the Disposing Company;
- (c) provided no Event of Default has occurred which is continuing of assets (other than shares, businesses, Real Property, Intellectual Property or other assets the subject of a fixed charge under the Transaction Security) the proceeds of which are applied in exchange for other assets comparable or superior as to type, value and quality as soon as possible but in any event

within 12 months of receipt or such longer period as the Majority Lenders may agree provided that the aggregate amount of all such Disposals Proceeds shall not exceed £20,000 in any Financial Year and such Disposal Proceeds shall during such period be retained in a Holding Account;

- (d) provided no Event of Default has occurred which is continuing, of assets comprising one or more of the business units of the Group (including where applicable shares, Real Property, inventory and stock items (but not without the consent of the Agent any Intellectual Property or goodwill other than that inevitably associated with the premises from which the business unit operates) the proceeds of which are intended to be applied in acquiring one or more other business units of similar ambit within 12 months, provided that the aggregate amount of all such Disposal Proceeds shall not exceed £1,000,000 in any Financial Year and such Disposal Proceeds shall during such period be retained in a Holding Account;
- (e) of vehicles, plant and equipment which are no longer required for the operation of the business of the Group;
- (f) of Cash Equivalent Investments for cash or in exchange for other Cash Equivalent Investments;
- (g) constituted by a licence of intellectual property rights which is not prohibited by clause 25.30 (*Intellectual Property*) of the Senior Facilities Agreement;
- (h) arising as a result of any Permitted Security; and
- (i) any other disposal approved in writing by the Agent on the instructions of the Majority Lenders;

"Permitted Financial Indebtedness" means Financial Indebtedness:

- (a) arising under any of the Finance Documents, Mezzanine Finance Documents and the Investment Documents, Permitted New Investor Debt Documents, in each case (other than the Permitted New Investor Debt Documents) as in force or issued pursuant to documents which are in force on the date of the Senior Facilities Agreement (or as amended as permitted by the Senior Facilities Agreement and the Intercreditor Agreement) and in each case subject always to the terms of the Senior Facilities Agreement and the Intercreditor Agreement);
- (b) to the extent covered by a letter of credit, guarantee or indemnity issued under an Ancillary Facility;

- (c) arising under a foreign exchange transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates where that foreign exchange exposure arises in the ordinary course of trade but not a foreign exchange transaction for investment or speculative purposes;
- (d) existing as at the date of the Senior Facilities Agreement which is unconditionally and irrevocably paid and discharged in full by no later than the Closing Date;
- (e) arising under (A) a Permitted Loan, or (B) a Permitted Guarantee or as permitted by clause 25.34 (*Treasury Transactions*) of the Senior Facilities Agreement;
- (f) under finance or capital leases of vehicles, plant, equipment or computers, provided that the aggregate capital value of all such items so leased under outstanding leases by members of the Group does not exceed £150,000 (or its equivalent in other currencies) at any time;
- (g) arising in the form of deferred consideration on any Permitted Acquisition;
- (h) Permitted New Investor Debt;
- (i) for a period of 90 days from the date of acquisition only, any pre-existing Financial Indebtedness of a Permitted Acquisition by way of share purchase;
- (j) other Financial Indebtedness up to an aggregate of £100,000; and
- (k) any other Financial Indebtedness approved by the Agent on the instructions of the Majority Lenders;

"Permitted Guarantee" means:

- (a) any performance or similar bond guaranteeing performance by a member of the Group under any contract entered into in the ordinary course of trade;
- (b) any guarantee permitted under clause 25.24 (*Financial Indebtedness*) of the Senior Facilities Agreement (except that arising under paragraph (e)(B) of the definition of "**Permitted Financial Indebtedness**");
- (c) any guarantee given in respect of the netting or set-off arrangements permitted pursuant to paragraph (b) of the definition of "**Permitted Security**"; or

- (d) any indemnity given in the ordinary course of the documentation of an acquisition or disposal transaction which is a Permitted Acquisition (as defined in the Senior Facilities Agreement) or Permitted Disposal which indemnity is in a customary form and subject to customary limitations or which arises out of the Transaction Documents;
- (e) any guarantee or indemnity given by one Obligor in respect of another Obligor;
- (f) authorised guarantee agreements given by an Obligor in respect of obligations under leases entered into and subsequently assigned in the ordinary course of business;
- (g) any guarantee or indemnity given by an Obligor to a liquidator of a member of the Group in respect of a liquidation permitted by the terms of the Senior Facilities Agreement;
- (h) any guarantee or indemnity given by a Non-Obligor in respect of the obligations of another Non-Obligor, or in respect of the obligations of an Obligor, provided such Obligor has acceded to the Intercreditor Agreement as an Obligor;
- (i) other guarantees with an aggregate liability of up to £10,000; and
- (j) any other guarantees approved by the Agent on the instructions of the Majority Lenders;

"Permitted Loan" means:

- (a) any trade credit extended by any member of the Group to its customers on normal commercial terms and in the ordinary course of its trading activities;
- (b) Financial Indebtedness which is referred to in the definition of, or otherwise constitutes, Permitted Financial Indebtedness (except under paragraph (e)(A) of that definition);
- (c) any loan made to an Obligor for the purposes of enabling such Obligor to meet its payment obligations under the Finance Documents, the Mezzanine Finance Documents and the Investor Documents provided that such payments are permitted by the Intercreditor Agreement;
- (d) a loan made by an Obligor to another Obligor (where both Obligors are incorporated in England and Wales or Scotland) or made by a Non-Obligor to another member of the Group;
- (e) any loan made by an Obligor to a Non-Obligor (where both companies are incorporated in England and Wales or Scotland) so long as the aggregate amount of the Financial

Indebtedness under any such loans does not exceed £10,000 (or its equivalent in other currencies) at any time; and

- (f) a loan made by a member of the Group to an employee or director of any member of the Group if the amount of that loan when aggregated with the amount of all loans to employees and directors by members of the Group does not exceed £150,000 (or its equivalent in other currencies) at any time; and
- (g) loans of up to £150,000 to an employee benefit trust for the employees of the Group in order to enable it to purchase shares in a Group Company;

"Permitted New Investor Debt" means additional funding provided by any Investors (as defined in the Intercreditor Agreement) after the Closing Date by way of the issue of subordinated loan capital by the Parent or the Company:

- (a) in a form which is fully subordinated (including in respect of principal and yield) as Investor Obligations (as defined in the Intercreditor Agreement) under the Intercreditor Agreement; and
- (b) in respect of which the Parent has delivered to the Agent certified copies of all documents constituting the Permitted New Investor Debt (the **"Permitted New Investor Debt Documents"**),

and where the proceeds of that funding (net of any fees, costs or expenses payable in relation to that funding (the **"New Debt Fees"**) in an amount not exceeding three per cent (3%) of the aggregate amount of such funding) are used (directly or indirectly) to remedy any Event of Default which occurs under clause 23.2 (*Financial condition*) of the Senior Facilities Agreement in accordance with clause 24.1 (*Equity cure*) of the Senior Facilities Agreement or towards funding an acquisition as defined in paragraph (b) or (c) of the definition of Permitted Acquisition (as defined in the Senior Facilities Agreement);

"Permitted Security" means:

- (a) any lien or right of set-off arising by operation of law and in the ordinary course of trading and any similar contractual right which does not subsist for a period of more than 30 days;
- (b) any netting or set-off arrangement contained in a Hedging Agreement or any other transaction permitted under clause 25.34 (*Treasury Transactions*) of the Senior Facilities Agreement entered into by any member of the Group with an Ancillary Lender in the ordinary course of

its banking arrangements for the purpose of netting debit and credit balances of itself and other members of the Group;

- (c) any Security or Quasi-Security over or affecting any asset acquired by a member of the Group after the Closing Date if:
 - (i) the Security or Quasi-Security was not created in contemplation of the acquisition of that asset by a member of the Group;
 - (ii) the principal amount secured has not been increased (save by way of capitalisation of interest) in contemplation of or since the acquisition of that asset by a member of the Group; and
 - (iii) the Security or Quasi-Security is removed or discharged within 90 days of the date of acquisition of such asset;
- (d) any Security or Quasi-Security over or affecting any asset of any company which becomes a member of the Group after the Closing Date, where the Security or Quasi-Security is created before the date on which that company becomes a member of the Group if:
 - (i) the Security or Quasi-Security was not created in contemplation of the acquisition of that asset by a member of the Group;
 - (ii) the principal amount secured has not been increased (save by way of capitalisation of interest) in contemplation of or since the acquisition of that asset by a member of the Group; and
 - (iii) the Security or Quasi-Security is removed or discharged within 90 days of the date of acquisition of such asset;
- (e) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a member of the Group in the ordinary course of trading and securing indebtedness no which is paid no more than 150 days from the date it was invoiced or otherwise became due;
- (f) any Security or Quasi-Security (existing as at the date of this Agreement) over assets of any member of the Target Group so long as the Security or Quasi-Security is irrevocably removed or discharged by no later than the Closing Date;
- (g) any Quasi-Security arising as a result of a disposal which is a Permitted Disposal;

- (h) any Security or Quasi-Security arising as a consequence of any finance or capital lease permitted pursuant to paragraph (f), (j) or (k) of the definition of "Permitted Financial Indebtedness";
- (i) any Security granted in the ordinary course of business over rent deposits in respect of the rent liability of any member of the Group;
- (j) any Security arising as a result of legal proceedings not otherwise constituting an Event of Default and which is discharged within 30 days of such Security arising; or
- (k) any security created pursuant to the Mezzanine Finance Documents and subject to the terms of the Intercreditor Agreement;

"Quasi-Security" has the meaning given to that term in clause 25.16 (*Negative pledge*) of the Senior Facilities Agreement;

"Real Property" means:

- (a) any freehold, leasehold or immovable property; and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that freehold, leasehold or immovable property;

"Relevant Agent" means:

- (a) until the Senior Discharge Date, the agent under the Senior Facility Agreement; and
- (b) on or after the Senior Discharge Date, the agent under the Mezzanine Facility Agreement;

"Revolving Facility" means the revolving credit facility made available under this Agreement as described in clause 2.1(a)(iv) of the Senior Facilities Agreement;

"Revolving Facility Commitment" means:

- (a) in relation to an Original Lender, the amount set opposite its name under the heading *"Revolving Facility Commitment"* in part 2 of schedule 1 (*The Original Parties*) of the Senior Facilities Agreement and the amount of any other Revolving Facility Commitment transferred to it under the Senior Facilities Agreement; and
- (b) in relation to any other Lender, the amount of any Revolving Facility Commitment transferred to it under the Senior Facilities Agreement,

to the extent not cancelled, reduced or transferred by it under the Senior Facilities Agreement;

"Secured Parties" has the meaning given to that term in the Intercreditor Agreement;

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

"Security Agent" means Barclays Bank PLC;

"Security Period" means the period beginning on the date of the Deed and ending on the date on which:

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (b) no Secured Party has any further commitment, obligation or liability under or pursuant to the Finance Documents;

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

"Senior Facilities Agreement" means the senior sterling term and revolving facilities agreement dated 14 September 2008 and made between, amongst others, (1) Carewatch Holdings Limited as the Parent, (2) the company named therein as the Company, (3) the companies listed in part 1 of schedule 1 therein as Original Borrowers, (4) the companies listed in part 1 of schedule 1 therein as Original Guarantors, (4) Barclays Leveraged Finance as Arranger, (5) the financial institutions listed in part 2 of schedule 1 as Original Lenders, (6) Barclays Bank PLC as Agent and (7) Barclays Bank PLC as Security Agent (as supplemented, amended, novated and/or restated from time to time);

"Senior Finance Document" means any "Finance Document" as such term is defined in the Senior Facility Agreement;

"Share and Asset Acquisition Agreement" means the sale and purchase agreement of the Target Assets and the Target Shares between the Company and the Asset Vendor and the Share Vendor dated on or around the date of the Senior Facilities Agreement;

"Share Vendor" means Nestor Healthcare Group PLC, incorporated in England and Wales with registered number 01992981;

"Subsidiary" of a company or corporation means any company or corporation:

- (a) which is controlled, directly or indirectly by the first-mentioned company or corporation; or
- (b) more than half the issued share capital of which is beneficially owned, directly or indirectly, by the first-mentioned company or corporation; or
- (c) which is a subsidiary of another subsidiary of the first mentioned company or corporation;

and, for these purposes, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body;

"Target" means Carewatch Care Services Limited, a company incorporated under the law of England and Wales with company number 02949558 and whose registered office is at Allen House, Station Road, Egham, Surrey TW20 9NT;

"Target Assets" means certain of the assets of Nestor Primecare Services Limited (as defined in clause 3.1 of the Share and Asset Acquisition Agreement);

"Target Shares" means all of the shares in Target and, as the case may be, all warrants and options in respect of the share capital of Target;

"Term Facility" means Facility A, Facility B or Facility C;

"Total Commitments" means the aggregate of the Total Facility A Commitments, the Total Facility B Commitments, the Total Facility C Commitments and the Total Revolving Facility Commitments, being £20,800,000 at the date of the Senior Facilities Agreement;

"Total Facility A Commitments" means the aggregate of the Facility A Commitments, being £9,300,000 at the date of the Senior Facilities Agreement;

"Total Facility B Commitments" means the aggregate of the Facility B Commitments, being £5,400,000 at the date of the Senior Facilities Agreement;

"Total Facility C Commitments" means the aggregate of the Facility C Commitments, being £5,100,000 at the date of the Senior Facilities Agreement;

"Total Revolving Facility Commitments" means the aggregate of the Revolving Facility Commitments, being £1,000,000 at the date of the Senior Facilities Agreement;

"Transaction Documents" means the Finance Documents, the Mezzanine Finance Documents, the Initial Acquisition Documents and the Investment Documents;

"Transaction Security" means the Security created or expressed to be created in favour of the Security Agent pursuant to the Transaction Security Documents;

"Transaction Security Documents" means each of the documents specified in:

- (a) paragraph 3(f) of part 1 of schedule 2 (*Conditions precedent*) of the Senior Facilities Agreement;
- (b) paragraph 2(f) of part 2 of schedule 2 (*Conditions precedent*) of the Senior Facilities Agreement;
- (c) paragraph 12 of part 3 of schedule 2 (*Conditions precedent*) of the Senior Facilities Agreement; and
- (d) clause 25.39(c) (*Conditions subsequent*) of the Senior Facilities Agreement;

together with any other document entered into by any Obligor creating or expressed to create any Security in favour of any Finance Party in relation to the obligations of any Obligor under any Finance Document;

"Treasury Transactions" means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price;

"Utilisation" means a Loan.

SCHEDULE 1**Details of Keyman Policies**

Insurer:	AON Consulting Limited
Life assured:	David Lyon
Policy number:	L0198165913
Sum assured:	£500,000
Term:	5 years
Commencement date:	28 November 2008

Insurer:	AON Consulting Limited
Life assured:	Michael Horgan
Policy number:	36045829
Sum assured:	£500,000
Term:	5 years
Commencement date:	28 November 2008

Insurer:	AON Consulting Limited
Life assured:	Simon Overgag
Policy number:	L0192047813
Sum assured:	£500,000
Term:	5 years
Commencement date:	28 November 2008



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

**COMPANY NO. 6671587
CHARGE NO. 2**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT AN INSURANCE ASSIGNMENT OF
KEY-MAN POLICIES DATED 17 DECEMBER 2008 AND CREATED
BY CAREWATCH HOLDINGS LIMITED FOR SECURING ALL
MONIES DUE OR TO BECOME DUE FROM EACH PRESENT OR
FUTURE MEMBER OF THE GROUP TO BARCLAYS BANK PLC
AS SECURITY TRUSTEE FOR THE SECURED PARTIES (THE
SECURITY AGENT) AND/OR THE OTHER SECURED PARTIES
(OR ANY OF THEM) 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 DECEMBER 2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24 DECEMBER
2008



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES