

MR01

Particulars of a charge

135342/13

IRIS Laserform

A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument Use form MR08

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

This form **must be delivered to the Registrar for registration** within
21 days beginning with the day after the date of creation of the charge.
If the form is delivered outside of the 21 days it will be rejected unless it is accompanied by a
court order extending the time for delivery

☒ You **must** enclose a certified copy of the instrument with this form
scanned and placed on the public record



L2M0WNZT

LD6

27/11/2013

#64

COMPANIES HOUSE

1 Company details

Company number 0 6 7 1 4 8 7 5 ✓
Company name in full LARCH (NURSING HOMES) HOLDCO LTD ✓

For official use
→ **Filing in this form**
Please complete in typescript or in
bold black capitals
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 2 d 1 m 1 m 1 y 2 y 0 y 1 y 3

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name THE ROYAL BANK OF SCOTLAND PLC (and its
successors in title and permitted transferees) ✓

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

Please see attached continuation pages.

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

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Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X


Linklaters LLP

X

This form must be signed by a person with an interest in the charge

MR01

Particulars of a charge


| | |
|---|------------------------------|
|  | Presenter information |
| We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address. | |
| Contact name | MAHNVIR SINGH |
| Company name | LINKLATERS LLP |
| | |
| Address | ONE SILK STREET |
| | |
| Post town | LONDON |
| County/Region | |
| Postcode | E C 2 Y 8 H Q |
| Country | UNITED KINGDOM |
| DX | 10 LONDON/CITY |
| Telephone | 0207 456 2000 |


| | |
|---|--------------------|
| <input checked="" type="checkbox"/> | Certificate |
| We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank. | |


| | |
|--|------------------|
| <input checked="" type="checkbox"/> | Checklist |
| We may return forms completed incorrectly or with information missing | |

Please make sure you have remembered the following:

- ☒ The company name and number match the information held on the public Register
- ☒ You have included a certified copy of the instrument with this form
- ☒ You have entered the date on which the charge was created
- ☒ You have shown the names of persons entitled to the charge
- ☒ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☒ You have given a description in Section 4, if appropriate
- ☒ You have signed the form
- ☐ You have enclosed the correct fee
- ☒ Please do not send the original instrument, it must be a certified copy

| | |
|---|------------------------------|
|  | Important information |
| Please note that all information on this form will appear on the public record. | |


| | |
|--|-------------------|
|  | How to pay |
| A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper. | |
| Make cheques or postal orders payable to 'Companies House' | |

| | |
|--|----------------------|
|  | Where to send |
| You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below. | |

For companies registered in England and Wales.
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland:
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1

| | |
|---|----------------------------|
|  | Further information |
| For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk | |

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

MR01 - continuation page

Particulars of a charge

| 4 | Description |
|-------------|---|
| Description | <p>Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security</p> <p><u>Land (including buildings)</u></p> <p>All Real Property in England and Wales (including that described in Schedule 3 (<i>Real Property</i>) of the Security Agreement) owned by the Company on the date of the Security Agreement to the extent not validly and effectively assigned under Clause 2.2 (<i>Assignment</i>) of the Security Agreement, all other Real Property owned by the Company on the date of the Security Agreement and all Real Property acquired by the Company after the date of the Security Agreement to the extent not validly and effectively assigned under Clause 2.2 (<i>Assignment</i>) of the Security Agreement</p> <p><u>Intellectual property</u></p> <p>All the Company's Intellectual Property (including that described in Schedule 6 (<i>Intellectual Property</i>) of the Security Agreement).</p> <p><u>Definitions</u></p> <p>"Company" means Larch (Nursing Homes) Holdco Ltd (Company No 06714875)</p> <p>"Fixtures" means fixtures, fittings and fixed plant, machinery and apparatus</p> <p>"Intellectual Property" means all the Company's right, title and interest from time to time in and to:</p> <p>(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, whether registered or unregistered; and</p> <p>(b) the benefit of all applications and rights to use such assets, and all rights relating to such property described in the Security Agreement (in each case including any related licences and sub-licences of the same granted by it or to it, applications and rights to apply for the same).</p> |

MR01 - continuation page

Particulars of a charge

4

Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Description

"Real Property" means all the Company's right, title and interest from time to time in and to any freehold, leasehold or other immovable property in England and Wales and other real property anywhere in the world, all Fixtures from time to time on that property, and all rights relating to that property described in the Security Agreement.

"Security Trustee" means The Royal Bank of Scotland PLC (Company Number SC90312)

"Security Agreement" means the fixed and floating security document agreement dated 21 November 2013 made between Larch (Nursing Homes) Holdco Ltd, Larch Group Holdings Limited, Larch Property Holdings Limited, Larch Life No 1 (UK) Ltd, Larch Boss Ltd, Larch (Nursing Homes No 2) Ltd and Larch (Nursing Homes) Ltd as chargors and the Security Trustee.



L/C

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6714875

Charge code: 0671 4875 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st November 2013 and created by LARCH (NURSING HOMES) HOLDCO LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th November 2013.

Given at Companies House, Cardiff on 3rd December 2013



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Certified that, save for material redacted
pursuant to section 859B of the Companies
Act 2006, this copy instrument is a
correct copy of the original instrument.

Linklaters LLP

27/11/2013

EXECUTION VERSION

SECURITY AGREEMENT

dated 21 November 2013

created by

THE COMPANIES NAMED IN SCHEDULE 1
as the Chargors

in favour of

THE ROYAL BANK OF SCOTLAND PLC
acting as Security Trustee

Linklaters

Ref 189549

Linklaters LLP

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THIS DEED is dated 21 November 2013 and made between

- (1) THE COMPANIES listed in Schedule 1 as chargors (the "**Chargors**"), and
- (2) THE ROYAL BANK OF SCOTLAND PLC (Company Number SC90312) acting through its office at 250 Bishopsgate, London EC2M 4AA as Security Trustee for the Finance Parties (the "**Security Trustee**")

Background

- (A) The board of directors of each Chargor is satisfied that entering into this Deed would promote the success of that Chargor for the benefit of its members as a whole and to the further benefit and advantage of that Chargor
- (B) The Security Trustee and each Chargor intend this document to take effect as a deed (even though the Security Trustee only executes it under hand)
- (C) The Security Trustee holds the benefit of this Deed for the Finance Parties on the terms of the Finance Documents

IT IS AGREED as follows

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed

"Administrator" means an administrator appointed under Schedule B1 to the Insolvency Act

"Agreements" means, in relation to an Chargor, all its right, title and interest from time to time in and to the agreements to which it is a party described in Schedule 9 (*Hedging Agreements*) and all Related Rights

"Amendment and Restatement Agreement" means the amendment and restatement agreement relating to the Facilities Agreement dated on or about the date of this Deed between the Borrower and Guarantors named in that agreement, Larch (Nursing Homes) Holdco Ltd, the Lenders named in that agreement, and The Royal Bank of Scotland plc as Hedging Bank, Agent and Security Trustee,

"Bank Accounts" means, in relation to a Chargor, all its right, title and interest from time to time in and to all current, deposit or other accounts with any bank or financial institution, all balances from time to time standing to the credit of or accrued or accruing on those accounts and all Related Rights

"Delegate" means a delegate or sub-delegate appointed by the Security Trustee or a Receiver in accordance with this Deed

"Facility Agreement" means the £355,000,000 facilities agreement originally dated 13 October 2005 (as previously amended pursuant to supplemental agreements dated 3 March 2006, 10 November 2008 and 20 November 2008) as amended and restated by the Amendment and Restatement Agreement on or about the date of this Deed, between the Borrower as borrower, the Guarantors named in that agreement, the Lenders named in that agreement and The Royal Bank of Scotland plc as Hedging Bank, Agent and Security Trustee

"Finance Document" has the meaning given to "Finance Documents" in the Facilities Agreement

"Finance Party" means the Agent, the Hedging Bank, the Security Trustee or a Lender

"Fixtures" means fixtures, fittings and fixed plant, machinery and apparatus

"Head Lease" means any lease pursuant to which title to any Real Property is vested in a Chargor

"Insolvency Act" means the Insolvency Act 1986

"Insurances" means, in relation to a Chargor, all its right, title and interest from time to time in and to all contracts and policies of insurance of any kind taken out by or on behalf of it and all Related Rights

"Intellectual Property" means, in relation to a Chargor, all its right, title and interest from time to time in and to

(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, whether registered or unregistered, and

(b) the benefit of all applications and rights to use such assets,

and all Related Rights (in each case including any related licences and sub-licences of the same granted by it or to it, applications and rights to apply for the same)

"Investments" means, in relation to a Chargor, all its right, title and interest from time to time in and to

(a) shares, stocks, debentures, units, bonds, notes, commercial paper, certificates of deposit, depository interests, securities and other investments,

(b) warrants, options and other rights to subscribe for, purchase or otherwise acquire securities and investments,

(c) any other securities or investments deriving from Investments or any rights attaching or relating to securities or investments,

in each case excluding Shares and including whether in certificated or uncertificated form, held through CREST or any other electronic share clearing, transfer or settlement system, and any rights against any custodian, nominee, clearing system or other similar person holding any such right, title or interest on its behalf, and all dividends and other Related Rights

"Jersey Chargors" means the Chargors incorporated in Jersey (each a **"Jersey Chargor"**),

"Law of Property Act" means the Law of Property Act 1925

"Occupational Lease" means any lease or contractual licence or other right of occupation of all or any part of any Real Property

"Party" means a party to this Deed

"Quasi Security" means a transaction under which any Chargor will

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by any other person,
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms,
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts, or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset

"Real Property" means, in relation to a Chargor, all its right, title and interest from time to time in and to any freehold, leasehold and other immovable property in England and Wales and other real property anywhere in the world, all Fixtures from time to time on that property, and all Related Rights

"Receivables" means, in relation to a Chargor, all its right, title and interest from time to time in and to all book and other debts of any nature, all other rights to receive money (excluding Bank Accounts), and all Related Rights

"Receiver" means a receiver and manager or other receiver appointed in respect of all or any part of the Security Assets and shall, if allowed by law, include an administrative receiver

"Related Rights" means, in relation to a Security Asset

- (a) any proceeds of sale, transfer or other disposal, lease, licence, sub-licence, or agreement for sale, transfer or other disposal, lease, licence or sub-licence, of that Security Asset,
- (b) any moneys or proceeds paid or payable deriving from that Security Asset,
- (c) any rights, claims, guarantees, indemnities, Security or covenants for title in relation to that Security Asset,
- (d) any awards or judgments in favour of a Chargor in relation to that Security Asset, and
- (e) any other assets deriving from, or relating to, that Security Asset

"Rental Income" has the meaning given to that term in the Facility Agreement

"Secured Liabilities" means all present and future debts, claims, liabilities and obligations due, owing or incurred by a Chargor or an Obligor to any Finance Party under or in connection with any Finance Document (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise)

"Security Assets" means the assets which from time to time are, or expressed to be, the subject of the Security Interests or any part of those assets

"Security Interests" means all or any of the Security created or expressed to be created in favour of the Security Trustee by or pursuant to this Deed

"Shares" means, in relation to a Chargor, all its right, title and interest from time to time in and to

- (a) the shares described in Schedule 5 (*Shares*) and any other shares issued in the future by any person identified in Schedule 5 (*Shares*) as issuer of any such shares,
- (b) warrants, options and other rights to subscribe for, purchase or otherwise acquire any such shares,
- (c) any other securities or investments deriving from any such shares or any rights attaching or relating to any such shares,

in each case including any rights against any custodian, nominee, clearing system or other similar person holding any such right, title or interest on its behalf, and all dividends and other Related Rights

"Uncertificated Securities Regulations" means the Uncertificated Securities Regulations 2001

1 2 **Incorporation of defined terms**

Unless a contrary indication appears, terms defined in the Facility Agreement have the same meaning in this Deed

1 3 **Construction**

- (a) Any reference in this Deed to a "**Finance Document**" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerously) or replaced and includes any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under that Finance Document or other agreement or instrument
- (b) The provisions in Clause 1 2 (*Construction*) of the Facility Agreement apply to this Deed, except that references to the Facility Agreement shall be construed as references to this Deed

1 4 **Third Party Rights**

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party 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 Deed
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time

1 5 **Disposition**

The terms of the other Finance Documents and of any other agreement or instrument between the Parties are incorporated into each Finance Document to the extent required for any disposition or purported disposition of all or any part of any Real Property or any other relevant Security Asset contained in any Finance Document to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

2 **SECURITY INTERESTS**

2 1 **Creation of Security Interests**

- (a) Each Chargor creates the following security interests, with full title guarantee and as security for the payment of all Secured Liabilities, in favour of the Security Trustee

- (i) a legal mortgage over all Real Property in England and Wales (including that described in Schedule 3 (*Real Property*)) owned by it on the date of this Deed to the extent not validly and effectively assigned under Clause 2 2 (*Assignment*) below,
- (ii) a fixed equitable charge over all other Real Property owned by it on the date of this Deed, all Real Property acquired by it after the date of this Deed and, to the extent not validly and effectively mortgaged under sub-paragraph (i) above, all Real Property in England and Wales owned by it on the date of this Deed to the extent not validly and effectively assigned under Clause 2 2 (*Assignment*) below,
- (iii) a fixed charge over all its Bank Accounts (including those described in Schedule 4 (*Bank Accounts*)) to the extent not validly and effectively assigned under Clause 2 2 (*Assignment*) below,
- (iv) a fixed charge over all its Receivables,
- (v) a mortgage over all its Shares,
- (vi) a fixed charge over all its Related Rights in relation to the Shares, to the extent not validly and effectively mortgaged under sub-paragraph (v) above,
- (vii) a fixed charge over all its right, title and interest from time to time in and to its uncalled capital and goodwill,
- (viii) a fixed charge over all its Intellectual Property (including that described in Schedule 6 (*Intellectual Property*)),
- (ix) a fixed charge over all its Insurances, to the extent not validly and effectively assigned under Clause 2 2 (*Assignment*) below,
- (x) a fixed charge over all rights and benefits under any agreements relating to the acquisition of freehold or leasehold property by each Chargor or for it and the benefit of any agreements, contracts, deeds, undertakings, guarantees, warranties and other documents hereafter in existence in relation to any freehold or leasehold property, and
- (xi) a floating charge over all its undertaking and all its assets and rights, both present and future (including assets expressed to be mortgaged, charged or assigned under this Clause 2 1)

2 2 **Assignment**

Each Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, assigns to the Security Trustee by way of security

- (a) all Hedging Agreements and proceeds paid or payable thereunder,
- (b) all its Bank Accounts (including those described in Schedule 4 (*Bank Accounts*)),
- (c) all its Insurances,
- (d) all payments, repayments and refunds of VAT due or owing by HM Customs and Excise to each Chargor,

- (e) all Related Rights in relation to the Real Property in England and Wales (including that described in Schedule 3 (*Real Property*)) ("*Real Property Related Rights*") owned by it on the date of this Deed, and
- (f) all Rental Income paid or payable to each Chargor

2.3 **Ranking**

The floating charge created by each Chargor under Clause 2.1 (*Creation of Security Interests*) ranks

- (a) behind all the mortgages, fixed charges and assignments created by that Chargor, but
- (b) in priority to any other Security over the Security Assets of that Chargor except for Security ranking in priority in accordance with paragraph (g) of Schedule 2 (*Rights of Receivers*)

2.4 **Conversion by notice**

The Security Trustee may convert the floating charge over all or any of the Security Assets into a fixed charge by notice to the relevant Chargor specifying the relevant Security Assets

- (a) if it considers it desirable to do so in order to protect or preserve the Security Interests over those Security Assets and/or the priority of those Security Interests, and/or
- (b) while an Event of Default is continuing

2.5 **Automatic conversion**

If

- (a) any Chargor takes any step to create any Security or Quasi Security in breach of Clause 3.1 (*Negative pledge*) over any Security Asset subject to a floating charge, or
- (b) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any such Security Asset,

the floating charge over the relevant Security Assets shall automatically and immediately be converted into a fixed charge

2.6 **Company voluntary arrangement moratorium**

Obtaining a moratorium or doing anything with a view to obtaining a moratorium pursuant to Schedule A1 of the *Insolvency Act* (including any preliminary decision or investigation) shall not cause the floating charge over all or any of the Security Assets to crystallise until the date upon which it is permitted to crystallise in accordance with paragraph 13 of Schedule A1 of the *Insolvency Act*

2.7 **Consents**

If the consent of any party to a document is required to create fixed security over, or an assignment of, the rights of a Chargor under that document

- (a) that Chargor shall promptly notify the Security Trustee,
- (b) until the consent of the relevant party has been obtained, this Deed shall secure all amounts which that Chargor may receive, or has received, under that document but exclude any fixed security over, or any assignment of, those rights,

- (c) unless the Security Trustee requires otherwise, that Chargor shall use reasonable endeavours to obtain the consent of the relevant party to the creation of fixed security over or, as the case may be, an assignment of, those rights under this Deed as soon as reasonably practicable, and
- (d) on the date on which the consent of the relevant party is obtained, the fixed security over or, in respect of an asset expressed to be subject to an assignment, the assignment of, those rights under this Deed shall attach to those rights

3 RESTRICTIONS ON DEALING WITH SECURITY ASSETS

3 1 Negative pledge

No Chargor shall create or permit to subsist any Security or Quasi Security over any Security Asset, except as permitted by the Facility Agreement

3 2 Disposals

No Chargor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of any Security Asset, except as permitted by the Facility Agreement

4 FURTHER ASSURANCE

- (a) Each Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s))
 - (i) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Security Interests) or for the exercise of any rights, powers and remedies of the Security Trustee or the Finance Parties provided by or pursuant to the Finance Documents or by law, or
 - (ii) to confer on the Security Trustee or confer on the Finance Parties Security over any property and assets of that Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed, and/or
 - (iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security Interests
- (b) Each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee or the Finance Parties by or pursuant to this Deed

5 REAL PROPERTY

5 1 Notification

Each Chargor shall promptly notify the Security Trustee of its acquisition or disposal of, or agreement to acquire or dispose of, any Real Property

5.2 Documents

Each Chargor shall promptly deposit with the Security Trustee, and the Security Trustee shall be entitled to hold, all title deeds and documents relating to that Chargor's present and future Real Property

5.3 Present Real Property

Each Chargor shall, in respect of all Real Property in England and Wales owned by it on the date of this Deed

- (a) promptly apply to the Land Registry for first registration of that Real Property (where that Real Property is not already registered at the Land Registry) and for registration of it as proprietor of that Real Property,
- (b) promptly apply to the Land Registry to register the Security created by paragraph (a)(i) and paragraph (a)(ii) of Clause 2.1 (*Creation of Security Interests*),
- (c) promptly apply to the Land Registry requesting

- (i) a restriction in following form

"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 21 November ²⁰¹³ in favour of The Royal Bank of Scotland plc as security trustee referred to in the charges register, or signed on such proprietor's behalf by an authorised signatory of The Royal Bank of Scotland plc "

or such other form as may be specified by the Security Trustee, and

- (ii) the obligation to make further advances,

to be entered on the register of the title to that Real Property in respect of the Security created by paragraph (a)(i) and paragraph (a)(ii) of Clause 2.1 (*Creation of Security Interests*),

- (d) promptly pay all applicable registration fees,
- (e) promptly deal with any requisitions by the Land Registry relating to that Real Property and keep the Security Trustee informed as to the progress of any such application for registration, the nature of any such requisitions and its response,

or, if the Security Trustee gives notice to that Chargor that the Security Trustee will submit the relevant forms to the Land Registry, that Chargor shall promptly provide the Security Trustee with all duly completed forms reasonably requested by the Security Trustee and all applicable registration fees

5.4 Future Real Property

If any Chargor acquires any Real Property in England and Wales after the date of this Deed, that Chargor shall

- (a) promptly apply to the Land Registry for first registration of that Real Property (where that Real Property is not already registered at the Land Registry) and for registration of it as proprietor of that Real Property,
- (b) promptly upon request by the Security Trustee execute and deliver to the Security Trustee a legal mortgage of that Real Property as security for the payment of all Secured Liabilities,
- (c) promptly apply to the Land Registry to register the Security created by paragraph (a)(ii) of Clause 2 1 (*Creation of Security Interests*) and any legal mortgage created pursuant to paragraph (b) above,
- (d) promptly apply to the Land Registry requesting

- (i) a restriction in following form

"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 21 November 2013 in favour of The Royal Bank of Scotland plc as security trustee referred to in the charges register or signed on such proprietor's behalf by an authorised signatory of The Royal Bank of Scotland plc "

or such other form as may be specified by the Security Trustee, and

- (ii) the obligation to make further advances,

to be entered on the register of the title to that Real Property in respect of the Security created by paragraph (a)(ii) of Clause 2 1 (*Creation of Security Interests*) and any legal mortgage created pursuant to paragraph (b) above,

- (e) promptly pay all applicable registration fees,
- (f) promptly deal with any requisitions by the Land Registry relating to that Real Property and keep the Security Trustee informed as to the progress of any such application for registration, the nature of any such requisitions and its response,

or, if the Security Trustee gives notice to that Chargor that the Security Trustee will submit the relevant forms to the Land Registry, that Chargor shall promptly provide the Security Trustee with all duly completed forms reasonably requested by the Security Trustee and all applicable registration fees

5 5 **Unregistered Real Property**

In the case of a Chargor's Real Property in England and Wales, both present and future, which is not registered at the Land Registry and is not required by law or this Deed to be so registered, if the title deeds and documents are not deposited with the Security Trustee, that Chargor shall promptly apply to the Land Charges Registry to register

- (a) in respect of all such Real Property owned by it on the date of this Deed, this Deed and the Security created by paragraph (a)(i) and paragraph (a)(ii) of Clause 2 1 (*Creation of Security Interests*), and

- (b) in respect of all such Real Property acquired by it after the date of this Deed, this Deed, the Security created by paragraph (a)(ii) of Clause 2 1 (*Creation of Security Interests*) and any legal mortgage created pursuant to paragraph (b) of Clause 5 4 (*Future Real Property*)

5 6 Title Information Document

On completion of the registration of any Security Interest pursuant to this Clause 5, the relevant Chargor shall promptly supply to the Security Trustee a certified copy of the relevant Title Information Document or, as the case may be, Certificate of Registration of Land Charge issued by the Land Registry or, as the case may be, Land Charges Registry

5 7 Protection of assets

(a) Each Chargor shall

- (i) repair and keep in good and substantial repair and condition all its Real Property which is a Security Asset, and
- (ii) keep all its Fixtures which are Security Assets in good working order and condition

(b) No Chargor shall

- (i) fix or permit the affixing of any Security Asset to any real estate which is not itself a Security Asset,
- (ii) sever or remove any Fixture, except for any necessary repairs or replacements
- (iii) without the prior consent in writing of the Security Trustee enter into any onerous or restrictive obligation affecting any Real Property
- (iv) without the prior consent of the Security Trustee allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor of all or any part of the Security Assets or create or permit to arise any interest which falls within Schedules 1 and 3 of the Land Registration Act 2002 affecting such property

5 8 Compliance with obligations

Each Chargor shall comply with any covenants, stipulations, conditions, licences, consents and any other statutory, regulatory or contractual obligations relating to its Real Property or its use

5 9 Leases

Each Chargor shall

- (a) observe and perform all covenants, stipulations and obligations binding upon it as lessee under any Head Lease and as lessor or lessee under any Occupational Lease,
- (b) diligently enforce all covenants, stipulations and obligations benefiting it as lessor under any Head Lease or Occupational Lease,
- (c) not amend, waive, release or vary any provision of, or exercise any option or power to break, terminate, forfeit or extend (or agree to do any of the foregoing) any Head Lease or Occupational Lease,
- (d) not do or permit to be done anything under any Head Lease which may result in its forfeiture,

- (e) promptly notify the Security Trustee of anything which may result in the forfeiture or termination of any Head Lease or Occupational Lease, and
- (f) not grant any Occupational Lease or exercise any of the powers of leasing or agreeing to lease any Real Property vested in or conferred on mortgagors by law,

except as permitted by the Facility Agreement

5 10 Notices

Each Chargor shall produce to the Security Trustee within 7 days of receipt by it a copy of every communication made in connection with anything that adversely affects the value of its Real Property or anything that would have an adverse effect on the business of the Chargor or the Security Interests and comply with the reasonable instructions of the Security Trustee in relation to any such communication

5 11 Notice of assignment

Each Chargor shall no later than the date falling 2 Business Days after the date of this Deed give notice of the assignment in paragraph (e) of Clause 2 2 (*Assignment*) substantially in the form set out in Schedule 11 (*Form of notice of assignment of Real Property Related Rights*) (or in such other form as is acceptable to the Security Trustee) and shall use its best endeavours to ensure that each recipient of any such notice promptly signs and returns the relevant form of acknowledgement

5 12 Chargors still liable

Each Chargor shall remain liable to perform all its obligations under each Hedging Agreement to which it is a party Neither the Security Trustee, any Receiver nor any Delegate shall be under any obligation or liability to a Chargor or any other person under or in respect of any Real Property Related Right

5 13 No variation etc

No Chargor shall

- (a) amend, supplement, vary or waive (or agree to amend, supplement, vary or waive) any provision of any Real Property Related Right,
- (b) exercise any right to rescind, cancel or terminate any Real Property Related Right,
- (c) release any counterparty from any obligations under any Real Property Related Right,
- (d) waive any breach by any counterparty or consent to any act or omission which would otherwise constitute such a breach, or
- (e) except as provided in this Deed, novate, transfer or assign any of its rights under any Real Property Related Right

5 14 Breach

Each Chargor shall notify the Security Trustee of

- (a) any breach of or default under a Real Property Related Right by it or any other party,
- (b) any right of it or any other party arising to rescind, cancel or terminate a Real Property Related Right, and

- (c) any claim made or to be made by it or any other party under or in connection with a Real Property Related Right,

promptly upon becoming aware of the same. The relevant Chargor shall provide the Security Trustee with reasonable details of any such claim. No Chargor shall take any action or proceedings in relation to any such claim except with the prior consent of the Security Trustee.

5.15 Power to remedy

- (a) If a Chargor does not comply with any provision of this Clause 5, the Security Trustee, or any agent, contractor or other person required by the Security Trustee, may take any action reasonably required by the Security Trustee to comply with any such provision.
- (b) The cost and expense of any action referred to in paragraph (a) above shall be borne by the relevant Chargor.

6 BANK ACCOUNTS

6.1 Restriction on Bank Accounts

No Chargor shall have any Bank Accounts other than those listed in Schedule 4 (*Bank Accounts*) or those from time to time designated in writing by the Agent.

6.2 Withdrawals

No Chargor shall make any withdrawal from any Bank Account except

- (a) prior to the occurrence of an Event of Default which is continuing, and such withdrawal is both (i) in the ordinary course of its business and (ii) permitted by the Facility Agreement, or
- (b) while an Event of Default is continuing, with the prior consent of the Security Trustee.

6.3 Documents

Each Chargor shall promptly deliver to the Security Trustee, and the Security Trustee shall be entitled to hold, such documents relating to that Chargor's Bank Accounts as the Security Trustee requires, including any notice to the relevant bank or financial institution of the Security Trustee's interests over them in such form as the Security Trustee requires.

6.4 Notice of assignment

Each Assignor shall no later than the date falling 2 Business Days after the date of this Deed give notice of the assignment in paragraph (b) of Clause 2.2 (*Assignment*).

(a) in relation to the Bank Accounts specified in Schedule 4 (*Bank Accounts*) of this Deed substantially in the form set out in Part A of Schedule 8 (*Form of notice of assignment of Bank Accounts*), and

(b) in relation to any other Bank Accounts, substantially in the form set out in Part B of Schedule 8 (*Form of notice of assignment of Bank Accounts*) (or in such other form as is acceptable to the Security Trustee) and shall use its best endeavours to ensure that each recipient of any such notice promptly signs and returns the relevant form of acknowledgement.

7 HEDGING AGREEMENTS

7.1 Documents

Each Chargor shall promptly deliver to the Security Trustee, and the Security Trustee shall be entitled to hold, executed originals of each Hedging Agreement to which it is a party and shall promptly deliver such other documents relating to the Hedging Agreements as the Security Trustee requires

7.2 Notice of assignment

Each Chargor shall no later than the date falling 2 Business Days after the date of this Deed give notice of the assignment in paragraph (a) of Clause 2.2 (*Assignment*) substantially in the form set out in Schedule 10 (*Form of notice of assignment of Hedging Agreements*) (or in such other form as is acceptable to the Security Trustee) and shall use its best endeavours to ensure that each recipient of any such notice promptly signs and returns the relevant form of acknowledgement

7.3 Chargors still liable

Each Chargor shall remain liable to perform all its obligations under each Hedging Agreement to which it is a party. Neither the Security Trustee, any Receiver nor any Delegate shall be under any obligation or liability to a Chargor or any other person under or in respect of any Hedging Agreement

7.4 No variation etc.

No Chargor shall

- (a) amend, supplement, vary or waive (or agree to amend, supplement, vary or waive) any provision of any Hedging Agreement,
- (b) exercise any right to rescind, cancel or terminate any Hedging Agreement,
- (c) release any counterparty from any obligations under any Hedging Agreement,
- (d) waive any breach by any counterparty or consent to any act or omission which would otherwise constitute such a breach, or
- (e) except as provided in this Deed, novate, transfer or assign any of its rights under any Hedging Agreement

7.5 Breach

Each Chargor shall notify the Security Trustee of

- (a) any breach of or default under a Hedging Agreement by it or any other party,
- (b) any right of it or any other party arising to rescind, cancel or terminate a Hedging Agreement, and
- (c) any claim made or to be made by it or any other party under or in connection with a Hedging Agreement,

promptly upon becoming aware of the same. The relevant Chargor shall provide the Security Trustee with reasonable details of any such claim. No Chargor shall take any action or proceedings in relation to any such claim except with the prior consent of the Security Trustee

8 RECEIVABLES

8.1 Collection

Each Chargor shall promptly collect all Receivables and shall hold the proceeds of collection on trust for the Finance Parties

8.2 Payment into designated Bank Account(s)

Each Chargor shall immediately pay all moneys received or receivable by it from any source (including all proceeds of collection of Receivables) into the relevant Bank Account(s) designated for this purpose by the Security Trustee. The Security Trustee may designate different Bank Accounts for different moneys

8.3 Restrictions on dealing with Receivables

No Chargor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, factor, transfer, discount or otherwise dispose of all or any part of any of its Receivables

8.4 Documents

Each Chargor shall promptly deliver to the Security Trustee, and the Security Trustee shall be entitled to hold, such documents relating to that Chargor's Receivables as the Security Trustee requires

9 SHARES

9.1 Notification

Each Chargor shall promptly notify the Security Trustee of

- (a) its acquisition of, or agreement to acquire, any Shares,
- (b) the declaration, payment, receipt, offer or issue of any Related Right excluding any cash dividend, and
- (c) any intention of which it becomes aware for any Share to be held in uncertificated form and to be transferable through CREST

9.2 Documents

Each Chargor shall on the date of this Deed and, where Shares are acquired by it after the date of this Deed, on the date of that acquisition

- (a) deliver to the Security Trustee, or as it directs, and the Security Trustee shall be entitled to hold, all certificates and other documents of title or evidence of ownership in relation to its Shares, and
- (b) deliver to the Security Trustee, or as it directs, and the Security Trustee shall be entitled to hold, transfers of the Shares and other documents, each executed in blank, relating to the Shares reasonably required by the Security Trustee

9.3 Voting before enforcement

At any time prior to the occurrence of an Event of Default which is continuing each Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share provided that

- (a) it does so for a purpose not inconsistent with any Finance Document, and
- (b) the exercise of or, as the case may be, the failure to exercise those rights would not have an adverse effect on the value of the relevant Shares or the Security Assets or the ability of the Security Trustee to realise the Security Interests and would not otherwise prejudice the interests of any Finance Party under any Finance Document

9.4 Voting after enforcement

At any time while an Event of Default is continuing and the Security Trustee has given notice to the relevant Chargor that it intends to exercise its rights under this Clause 9.4

- (a) the Security Trustee or the Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share, and
- (b) each Chargor shall comply or procure the compliance with any directions of the Security Trustee or the Receiver in respect of the exercise of those rights and shall promptly execute and/or deliver to the Security Trustee or the Receiver such forms of proxy as it requires with a view to enabling such person as it selects to exercise those rights

9.5 Cash dividends before enforcement

At any time prior to the occurrence of an Event of Default which is continuing each Chargor shall be entitled to retain any cash dividend deriving from the Shares

9.6 Cash dividends after enforcement

At any time while an Event of Default is continuing each Chargor shall hold any cash dividend deriving from the Shares received by it on trust for the Finance Parties and transfer or pay the same immediately to the Security Trustee or as it may direct. The Security Trustee shall apply the same against the Secured Liabilities in accordance with Clause 19 (*Order of distributions*)

9.7 Shares held by nominees of Chargors

If any Share is held in the name of a nominee of a Chargor, that Chargor shall promptly upon request by the Security Trustee deliver to it an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by that nominee. That power of attorney shall appoint the Security Trustee, each Receiver and each Delegate, as the attorney of the holder and shall be in such form as the Security Trustee requires

9.8 Communications

- (a) Each Chargor shall promptly upon request by the Security Trustee deliver to it a copy of each circular, notice, report, set of accounts or other document received by it or its nominee relating to any of its Shares
- (b) Each Chargor shall promptly deliver to the Security Trustee a copy of, and comply with, each request for information which is within its knowledge and which is 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
- (c) If a Chargor does not comply with paragraph (b) above, the Security Trustee may provide any information it has on behalf of that Chargor

9 9 Payment of calls

- (a) Each Chargor shall pay all calls or other payments in respect of any of its Shares
- (b) If a Chargor does not comply with paragraph (a) above, the Security Trustee may pay that call or other payment on behalf of that Chargor
- (c) The relevant Chargor shall immediately on request by the Security Trustee reimburse the Security Trustee for any payment made by the Security Trustee under this Clause 9 9

10 INVESTMENTS

10 1 Notification

Each Chargor shall promptly notify the Security Trustee of

- (a) its acquisition of, or agreement to acquire, any Investment, and
- (b) the declaration, payment, receipt, offer or issue of any Related Right excluding any cash dividend

10 2 Documents

Each Chargor shall

- (a) promptly deliver to the Security Trustee, or as it directs, and the Security Trustee shall be entitled to hold, all certificates and other documents of title or evidence of ownership in relation to its Investments, and
- (b) promptly deliver to the Security Trustee, or as it directs, and the Security Trustee shall be entitled to hold, transfers of the Investments and other documents, each executed in blank, relating to the Investments reasonably required by the Security Trustee

10 3 Voting before enforcement

At any time prior to the occurrence of an Event of Default which is continuing each Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Investment provided that

- (a) it does so for a purpose not inconsistent with any Finance Document, and
- (b) the exercise of or, as the case may be, the failure to exercise those rights would not have an adverse effect on the value of the relevant Investment or the Security Assets or the ability of the Security Trustee to realise the Security Interests and would not otherwise prejudice the interests of any Finance Party under any Finance Document

10 4 Voting after enforcement

At any time while an Event of Default is continuing

- (a) the Security Trustee or the Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Investment, and
- (b) each Chargor shall comply or procure the compliance with any directions of the Security Trustee or the Receiver in respect of the exercise of those rights and shall promptly execute and/or deliver to the Security Trustee or the Receiver such forms of proxy as it requires with a view to enabling such person as it selects to exercise those rights

10 5 Cash dividends before enforcement

At any time prior to the occurrence of an Event of Default which is continuing each Chargor shall be entitled to retain any cash dividend deriving from the Investments

10 6 Cash dividends after enforcement

At any time while an Event of Default is continuing each Chargor shall hold any cash dividend deriving from the Investments received by it on trust for the Finance Parties and transfer or pay the same immediately to the Security Trustee or as it may direct. The Security Trustee shall apply the same against the Secured Liabilities in accordance with Clause 19 (*Order of distributions*)

10 7 Investments held by nominees of Chargors

If any Investment of a Chargor is held in the name of a nominee of that Chargor, that Chargor shall promptly upon request by the Security Trustee deliver to it an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by that nominee. That power of attorney shall appoint the Security Trustee, each Receiver and each Delegate, as the attorney of the holder and shall be in such form as the Security Trustee requires

10 8 Communications

- (a) Each Chargor shall promptly upon request by the Security Trustee deliver to it a copy of each circular, notice, report, set of accounts or other document received by it or its nominee relating to any of its Investments
- (b) Each Chargor shall promptly deliver to the Security Trustee a copy of, and comply with, each request for information which is within its knowledge and which is 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 Investments
- (c) If a Chargor does not comply with paragraph (b) above, the Security Trustee may provide any information it has on behalf of that Chargor

10 9 Payment of calls

- (a) Each Chargor shall pay all calls or other payments in respect of any of its Investments
- (b) If a Chargor does not comply with paragraph (a) above, the Security Trustee may pay that call or other payment on behalf of that Chargor
- (c) The relevant Chargor shall immediately on request by the Security Trustee reimburse the Security Trustee for any payment made by the Security Trustee under this Clause 9 9

11 INTELLECTUAL PROPERTY

11 1 Notification

Each Chargor shall promptly notify the Security Trustee of its acquisition of, or agreement to acquire, (by licence or otherwise) any Intellectual Property, and any application by it or on its behalf to register any Intellectual Property

11 2 Documents

Each Chargor shall promptly deliver to the Security Trustee, and the Security Trustee shall be entitled to hold, such documents relating to that Chargor's Intellectual Property as the Security Trustee requires

11 3 Maintenance

Each Chargor shall

- (a) preserve and maintain the subsistence and validity of the Intellectual Property necessary for its business from time to time,
- (b) use reasonable endeavours to prevent any infringement in any material respect of its Intellectual Property including, where appropriate, commencing and diligently undertaking the prosecution of infringement actions or oppositions,
- (c) make registrations where registration is necessary or desirable and pay all registration fees, renewal fees and taxes necessary to maintain its Intellectual Property in full force and effect and record its interest in that Intellectual Property,
- (d) not use or permit its Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of its Intellectual Property or imperil the right of any Obligor to use such property,
- (e) not discontinue the use of its Intellectual Property,
- (f) take all steps to record this Deed and restrictions on disposal under this Deed on such registers, in such jurisdictions and within such time limits as the Security Trustee requires in order to perfect the Security Interests over its Intellectual Property, and
- (g) perform and comply with all laws and obligations to which it is subject as registered proprietor, beneficial owner, user, licensor or licensee of any Intellectual Property held by it

11 4 Grant

No Chargor shall grant any exclusive registered user agreement or exclusive licence in relation to any of its present or future Intellectual Property

12 INSURANCES

12 1 Documents

Each Chargor shall promptly upon request by the Security Trustee deliver to it, and the Security Trustee shall be entitled to hold, such contracts and policies of insurance taken out by or on behalf of it and the related premium receipts, and such other documents relating to that Chargor's Insurances, as the Security Trustee requires

12 2 Enforceability

No Chargor shall do or omit to do or permit to be done or omitted anything which might render any of its Insurances void, voidable or unenforceable

12.3 Power to insure

- (a) If a Chargor does not comply with any requirement of Clause 23.5 (*Insurance*) of the Facility Agreement, the Security Trustee may take out any insurances of the assets of that Chargor or any of them reasonably required by the Security Trustee and may take any action reasonably required by the Security Trustee to comply with any such provision
- (b) The cost and expense of any action referred to in paragraph (a) above shall be borne by the relevant Chargor

12.4 Notice of assignment

Each Chargor shall no later than the date falling 2 Business Days after the date of this Deed give notice of the assignment in paragraph (c) of Clause 2.2 (*Assignment*) substantially in the form set out in Schedule 7 (*Form of notice of assignment of Insurances*) (or in such other form as is acceptable to the Security Trustee) and shall use its best endeavours to ensure that each recipient of any such notice promptly signs and returns the relevant form of acknowledgement

12.5 Use of proceeds

- (a) Except as provided in paragraphs (b) to (d) below, the proceeds of any Insurance Policies must, if the Agent so requires, be used to prepay the Advances according to the Part A Waterfall or Part B Waterfall as applicable (at that time)
- (b) To the extent required by the basis of settlement under any Insurance Policies or under any Lease Document, each Obligor must apply moneys received under any Insurance Policies in respect of a Property towards replacing, restoring or reinstating that Property
- (c) The proceeds of any loss of rent insurance will be treated as Rental Income and applied in such manner as the Agent (acting reasonably) requires to have effect as if it were Rental Income received over the period of the loss of rent
- (d) Moneys received under liability policies held by an Obligor which are required by that Obligor to satisfy established liabilities of the Obligor to third parties must be used to satisfy these liabilities

13 GENERAL UNDERTAKINGS

13.1 Information

Each Chargor shall supply to the Security Trustee promptly such information regarding its financial condition, business and operations, its Security Assets and its compliance with this Deed as the Security Trustee may reasonably request

13.2 Access

Each Chargor shall permit the Security Trustee and/or any of its representatives (including workmen, surveyors, valuers and other persons) at all reasonable times to view the condition of, and repair, any of its Security Assets

13.3 No other prejudicial conduct

No Chargor shall do, or permit to be done, anything which could prejudice the Security Interests

14 REPRESENTATIONS AND WARRANTIES

Each Chargor

- (a) makes the representations and warranties set out in Clause 4 (*Representations*) of the Amendment and Restatement Agreement to the Security Trustee on the date of this Deed,
- (b) represents and warrants to the Security Trustee that the assets listed in Schedule 3 (*Real Property*) to 6 (*Intellectual Property*) and 9 (*Hedging Agreements*) in respect of that Chargor are all of the relevant class of assets in which it has an interest,
- (c) represents and warrants to the Security Trustee that the agreements listed in Schedule 9 (*Hedging Agreements*) in respect of that Chargor are correctly described and have not been amended, supplemented, varied, waived, rescinded, cancelled or terminated, and
- (d) represents and warrants to the Security Trustee that the details listed in Schedule 4 (*Bank Accounts*) in respect of that Chargor are correct

15 ENFORCEMENT

15 1 When enforceable

The Security Interests shall be immediately enforceable on and at any time after the occurrence of an Event of Default which is continuing

15 2 Enforcement action

At any time after the Security Interests have become enforceable, the Security Trustee may in its absolute discretion enforce all or any part of the Security Interests in any manner it sees fit or as directed by the Majority Senior Lenders

15 3 Law of Property Act powers

At any time after the Security Interests have become enforceable, the powers, authorities and discretions conferred by the Law of Property Act on mortgagees, including the power of sale and other powers conferred by section 101 (*Powers incident to estate or interest of mortgagee*) of the Law of Property Act, as varied and extended by this Deed, shall be immediately exercisable

16 LAW OF PROPERTY ACT

16 1 Section 101

The power of sale and other powers conferred by section 101 (*Powers incident to estate or interest of mortgagee*) of the Law of Property Act on mortgagees, as varied and extended by this Deed, shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on the date of this Deed and shall be exercisable in accordance with Clause 15 3 (*Law of Property Act powers*)

16 2 Section 103

Section 103 (*Regulation of exercise of power of sale*) of the Law of Property Act shall not apply to this Deed

16 3 Section 93

Section 93 (*Restriction on consolidation of mortgages*) of the Law of Property Act shall not apply to this Deed

16 4 Sections 99 and 100

At any time after the Security Interests have become enforceable, the Security Trustee may make any lease or agreement for lease, accept any surrender of lease and grant any option as it sees fit and without the need to comply with any provision of section 99 (*Leasing powers of mortgagor and mortgagee in possession*) or section 100 (*Powers of mortgagor and mortgagee in possession to accept surrenders of leases*) of the Law of Property Act

17 APPOINTMENT OF RECEIVERS AND ADMINISTRATORS

17 1 Appointment of Receivers

If

- (a) requested by any Chargor,
- (b) the Security Interests have become enforceable,
- (c) the Security Trustee has converted the floating charge over all or any of the Security Assets into a fixed charge pursuant to Clause 2 4 (*Conversion by notice*), or
- (d) any of the circumstances set out in paragraphs (a) or (b) of Clause 2 5 (*Automatic conversion*) have occurred,

without any notice or further notice, the Security Trustee may, by deed or otherwise in writing signed by the Security Trustee or any person authorised for this purpose by the Security Trustee, appoint one or more persons to be a Receiver of all or any part of the Security Assets. The Security Trustee may similarly remove any Receiver and appoint any person instead of any Receiver. If the Security Trustee appoints more than one person as Receiver, the Security Trustee may give those persons power to act either jointly or severally.

17 2 Appointment of Administrators

Paragraph 14 of Schedule B1 to the Insolvency Act applies to this Deed and the Security Trustee may appoint an Administrator of any Chargor pursuant to that paragraph.

17 3 Agent of Chargor

Any Receiver shall be the agent of the relevant Chargor for all purposes. That Chargor alone shall be responsible for the Receiver's contracts, engagements, acts, omissions and defaults.

17 4 Remuneration of Receivers

The Security Trustee may determine the remuneration of any Receiver and the maximum rate specified in section 109(6) (*Appointment, powers, remuneration and duties of receiver*) of the Law of Property Act shall not apply. The Security Trustee may direct payment of that remuneration out of moneys it receives as Receiver. The relevant Chargor alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of the Receiver.

18 RIGHTS AND LIABILITIES OF SECURITY TRUSTEE AND RECEIVERS

18 1 Rights of Receivers

Any Receiver appointed pursuant to Clause 17 (*Appointment of Receivers and Administrators*) shall have

- (a) all the powers of the Security Trustee under this Deed,

- (b) the rights set out in Schedule 2 (*Rights of Receivers*), and
- (c) the rights, powers, privileges and immunities conferred by law, including
 - (i) in the case of an administrative receiver, the rights, powers, privileges and immunities conferred by the Insolvency Act on administrative receivers duly appointed under the Insolvency Act, and
 - (ii) in all other cases, the rights, powers, privileges and immunities conferred by the Law of Property Act and the Insolvency Act on receivers or receivers and managers

18.2 **Rights of Security Trustee**

At any time after the Security Interests have become enforceable, to the fullest extent permitted by law, any rights conferred by any Finance Document or by law upon a Receiver may be exercised by the Security Trustee, whether or not the Security Trustee shall have appointed a Receiver of all or any part of the Security Assets

18.3 **Delegation**

The Security Trustee may delegate in any manner to any person any rights exercisable by the Security Trustee under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Trustee thinks fit and the Security Trustee may pass confidential information to any such delegate

18.4 **Financial collateral arrangement**

- (a) To the extent that this Deed constitutes a "financial collateral arrangement" (as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Financial Collateral Regulations**")) the Security Trustee shall have the right
 - (i) to use and dispose of any Security Asset which constitutes "financial collateral" (as defined in the Financial Collateral Regulations ("**Financial Collateral**")) in such manner as it sees fit, in which case the Security Trustee shall comply with any requirements of the Financial Collateral Regulations in relation to obtaining "equivalent financial collateral" (as defined in the Financial Collateral Regulations),
 - (ii) to set-off the value of any equivalent financial collateral against, or apply it in discharge of, any Secured Liabilities in accordance with the Financial Collateral Regulations, and
 - (iii) at any time after the Security Interests have become enforceable, to appropriate any Security Asset which constitutes Financial Collateral in such manner as it sees fit in or towards satisfaction of the Secured Liabilities in accordance with the Financial Collateral Regulations
- (b) If the Security Trustee is required to value any equivalent financial collateral or Financial Collateral for the purpose of paragraph (a)(ii) or (a)(iii) above, the value shall be
 - (i) in the case of cash, its face value at the time of appropriation or set-off, and
 - (ii) in the case of financial instruments or other Financial Collateral, their market value at the time of appropriation or set-off as determined (after appropriation) by the Security Trustee by reference to a public index or other applicable generally recognised source or

such other process as the Security Trustee may select, including a valuation carried out by an independent investment bank, firm of accountants or other valuers appointed by the Security Trustee,

as converted, where necessary, into the currency in which the Secured Liabilities are denominated at a market rate of exchange prevailing at the time of appropriation or set-off selected by the Security Trustee

- (c) Each Chargor authorises the Security Trustee to transfer any Security Asset which constitutes Financial Collateral in accordance with the Financial Collateral Regulations, and any such Security Asset shall pass from the relevant Chargor to the Security Trustee by way of outright title transfer, free and clear of any liens, claims, charges or encumbrances or any other interest of any Chargor or any third party. The Security Trustee shall, accordingly, have the right to deal with, lend, dispose of, pledge, charge or otherwise use any Security Asset which constitutes Financial Collateral

18.5 Possession

If the Security Trustee, any Receiver or any Delegate takes possession of the Security Assets, it may at any time relinquish possession. Neither the Security Trustee, any Receiver nor any Delegate shall be liable, by reason of viewing or repairing any of the present or future assets of any Chargor, as a mortgagee in possession.

18.6 Security Trustee's liability

Neither the Security Trustee, any Receiver nor any Delegate shall, either by reason of taking possession of the Security Assets or for any other reason and whether as mortgagee in possession or otherwise, be liable for

- (a) any costs, losses, liabilities or expenses relating to the realisation of any Security Assets, or
- (b) any act or omission of the Security Trustee, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Security Assets or in connection with the Finance Documents, unless directly caused by its gross negligence or wilful misconduct.

19 ORDER OF DISTRIBUTIONS

19.1 Application of proceeds

All amounts received or recovered by the Security Trustee or any Receiver in exercise of their rights under this Deed shall, subject to the rights of any creditors having priority, be applied in the order provided in Clause 19.2 (*Order of distributions*).

19.2 Order of distributions

The order referred to in Clause 19.1 (*Application of proceeds*) is

- (a) in or towards the payment of all costs, losses, liabilities and expenses of or incurred by the Security Trustee or any Receiver under or in connection with this Deed and of any Receiver's remuneration and all outgoings paid by any Receiver,

- (b) in or towards the payment of the Secured Liabilities in accordance with the Facility Agreement, and
- (c) in payment of any surplus to any Chargor or other person entitled to it

20 POWER OF ATTORNEY

20 1 Appointment

Each Chargor by way of security irrevocably appoints the Security Trustee, each Receiver and each Delegate severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit

- (a) to do anything which that Chargor is obliged to do under any Finance Document to which it is party but has failed to do (including to do all such acts or execute all such documents, assignments, transfers, mortgages, charges, notices, instructions, filings and registrations as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s))), and
- (b) to exercise any of the rights conferred on the Security Trustee, any Receiver or any Delegate in relation to the Security Assets or under any Finance Document or under any law

20 2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 20 1 (*Appointment*)

21 PROTECTION OF THIRD PARTIES

No purchaser or other person dealing with the Security Trustee, any Receiver or its agents shall be concerned to enquire

- (a) whether the powers conferred on the Security Trustee, any Receiver or its agents have arisen,
- (b) whether the powers conferred on the Security Trustee, any Receiver or its agents have become exercisable,
- (c) whether any consents, regulations, restrictions or directions relating to such powers have been obtained or complied with,
- (d) whether the Security Trustee, any Receiver or its agents is acting within such powers,
- (e) whether any money remains due under the Finance Documents and the receipt in writing of the Security Trustee, any Receiver or its agents shall be sufficient discharge to that purchaser or other person,
- (f) as to the propriety or validity of acts purporting or intended to be in exercise of any such powers, or
- (g) as to the application of any money paid to the Security Trustee, any Receiver or its agents

22 SAVING PROVISIONS

22 1 Continuing Security

Subject to Clause 23 (*Discharge of Security*), the Security Interests are continuing Security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part

22 2 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or Obligor or any security for those obligations or otherwise) is made by a Finance Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation or otherwise, without limitation, then the liability of each Chargor and Obligor and the Security Interests will continue or be reinstated as if the discharge, release or arrangement had not occurred

22 3 Waiver of defences

Neither the obligations of each Chargor under this Deed nor the Security Interests will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under any Finance Document or any of the Security Interests (without limitation and whether or not known to it or any Finance Party) including

- (a) any time, waiver or consent granted to, or composition with, any Chargor, Obligor or other person,
- (b) the release of any other Chargor, Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Chargor, Obligor 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 any Chargor, Obligor or any other person,
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security,
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, or
- (g) any insolvency or similar proceedings

22 4 Chargor intent

Without prejudice to the generality of Clause 22 3 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security Interests shall extend from time to time to any (however

fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following business acquisitions of any nature, increasing working capital, enabling investor distributions to be made, carrying out restructurings, refinancing existing facilities, refinancing any other indebtedness, making facilities available to new borrowers, any other variation or extension of the purposes for which any such facility or amount might be made available from time to time, and any fees, costs and/or expenses associated with any of the foregoing

22 5 Immediate recourse

Each Chargor waives any right it may have of first requiring any Finance 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 that Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

22 6 Appropriations

Until all amounts which may be or become payable by the Obligors or the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and all facilities which might give rise to Secured Liabilities have terminated, each Finance Party (or any trustee or agent on its behalf) may

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts 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 any Chargor's liability under this Deed

22 7 Deferral of Chargors' rights

Until all amounts which may be or become payable by the Obligors or the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and all facilities which might give rise to Secured Liabilities have terminated and unless the Security Trustee otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Clause 22

- (a) to be indemnified by a Chargor or an Obligor,
- (b) to claim any contribution from any other Chargor or guarantor of any Obligor's obligations under the Finance Documents,
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party,

- (d) to bring legal or other proceedings for an order requiring any Obligor or any Chargor to make any payment, or perform any obligation, in respect of which the Obligor or the Chargor had given a guarantee, undertaking or indemnity,
- (e) to exercise any right of set-off against any Obligor or any Chargor, and/or
- (f) to claim or prove as a creditor of any Obligor or any Chargor in competition with any Finance Party

If a Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Obligors or the Chargors under or in connection with the Finance Documents to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with Clause 19 (*Order of distributions*)

22 8 Additional security

The Security Interests are in addition to and are not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party

22 9 Tacking

Each Finance Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances)

23 DISCHARGE OF SECURITY

23 1 Final redemption

Subject to Clause 23 2 (*Retention of security*), if the Security Trustee is satisfied that all amounts which may be or become payable by the Obligors or the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and that all facilities which might give rise to Secured Liabilities have terminated, the Security Trustee shall at the request and cost of the Chargors release, reassign or discharge (as appropriate) the Security Assets from the Security Interests, without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees

23 2 Retention of security

If the Security Trustee considers that any amount paid or credited to any Finance Party under any Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably paid

24 COSTS AND EXPENSES

24 1 Expenses

Each Chargor shall, within three Business Days of demand, pay to the Security Trustee the amount of all costs, losses, liabilities and expenses (including legal fees) incurred by the Security Trustee or any Receiver in relation to any Finance Document (including the administration, protection, realisation, enforcement or preservation of any rights under or in connection with this Deed, or any consideration by the Security Trustee as to whether to realise or enforce the same,

and/or any amendment, waiver, consent or release of any Finance Document and/or any other document referred to in this Deed)

24 2 VAT

Clause 11 7 (VAT) of the Facility Agreement shall apply as if it were set out in full in this Deed, save that references in that Clause to "Finance Party" shall be treated in this Deed as being to "Finance Party, Receiver or Delegate"

25 INDEMNITY

Each Chargor shall, within three Business Days of demand, indemnify the Security Trustee and any Receiver against any cost, loss, liability or expense incurred by it or them as a result of

- (a) any breach by any Chargor of this Deed, or
- (b) the exercise or purported exercise of any of the rights and powers conferred on it or them by this Deed or otherwise relating to the Security Assets

26 PAYMENTS

26 1 Undertaking to pay

Each Chargor shall pay each of the Secured Liabilities when due in accordance with its terms

26 2 Demands

Any demand for payment made by any Finance Party shall be valid and effective even if it contains no statement of the relevant Secured Liabilities or an inaccurate or incomplete statement of them

26 3 Payments

All payments by any Chargor under this Deed shall be made to such account, with such financial institution and in such other manner as the Security Trustee may direct

26 4 Continuation of accounts

- (a) At any time after a Finance Party has received or is deemed to have received notice of any subsequent Security affecting all or any part of the Security Assets of any Chargor, that Finance Party may open a new account in the name of that Chargor (whether or not it permits any existing account to continue)
- (b) If that Finance Party does not open such a new account, it shall be treated as if it had done so when the relevant notice was received or deemed to have been received and as from that time all payments made by or on behalf of that Chargor to that Finance Party shall be credited or be treated as having been credited to the relevant new account and not as having been applied in reduction of the Secured Liabilities as at the time the relevant notice was received or deemed to have been received

26 5 Contingencies

If all or any part of the Security Interests are enforced at a time when no amount is due under the Finance Documents but any such amount may or will become due, the Security Trustee or the Receiver may pay the proceeds of any recoveries effected by it into a suspense account

27 REMEDIES, WAIVERS AND DETERMINATIONS

27 1 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, Receiver or Delegate, any right or remedy under any Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No waiver or election to affirm any of the Finance Documents on the part of any Finance Party, Receiver or Delegate shall be effective unless in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law, including the right to appoint an Administrator under the Insolvency Act.

27 2 Certificates and Determinations

Any certification or determination by the Security Trustee or any Receiver of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

28 SEPARATE AND INDEPENDENT OBLIGATIONS

- (a) Subject to paragraph (b) below, the Security created by each Chargor by or in connection with any Finance Document is separate from and independent of the Security created or intended to be created by any other Chargor by or in connection with any Finance Document. No prior Security held by the Security Trustee over the Security Assets or any part thereof shall merge in the Security created by or pursuant to this Deed.
- (b) Any reference in this Deed to a "Chargor" in relation to any Security Asset is, if that Chargor holds any right, title or interest in that Security Asset jointly with any other Chargor, a reference to those Chargors jointly.

29 COUNTERPARTS

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

30 GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

31 JURISDICTION

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").
- (b) 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.

- (c) This Clause 31 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.
- (d) Without prejudice to any other mode of service allowed under any relevant law, each Chargor (other than a Chargor incorporated in England and Wales)
 - (i) irrevocably appoints the Borrower as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document, and
 - (ii) agrees that failure by a process agent to notify the relevant Chargor of the process will not invalidate the proceedings concerned.

32 LIMITATION OF RECOURSE

- (a) Notwithstanding any other provision of this Deed, the Security Trustee (on behalf of each Finance Party) agrees that its sole recourse against each Jersey Chargor in respect of or in connection with any liabilities, obligations, undertakings, acknowledgements, covenants, representations, warranties and agreements contained in this Deed will be to the net proceeds of the sale or realisation of the assets of such Jersey Chargor as may be available after payment of all creditors ranking ahead of such Finance Party by law.
- (b) To the extent that such proceeds (after payment of all prior ranking creditors) are insufficient to satisfy in full the relevant Finance Party's claims in respect of or in connection with this Deed (such insufficiency, a shortfall), any claim in respect of such shortfall shall be extinguished.
- (c) The Security Trustee (on behalf of each Finance Party) further agrees that it shall not petition or take any other step in any jurisdiction for the bankruptcy or winding up of any such Jersey Chargor in respect of any such shortfall. For these purposes, the winding up shall include the appointment of any receiver, administrator, trustee or similar officer in respect of such Jersey Chargor or its assets, and shall be construed so as to include any equivalent or analogous proceedings or events under the law of any country to whose jurisdiction such Jersey Chargor or its assets are or may be subject.

This Deed has been delivered on the date stated at the beginning of this Deed.

Schedule 1
THE CHARGORS

| Name of Chargor | Jurisdiction of Incorporation | Registration Number |
|---|--------------------------------------|----------------------------|
| Larch (Nursing Homes) Holdco Ltd | England and Wales | 06714875 |
| Larch Group Holdings Limited (formerly known as LR Group Holdings Limited) | Jersey | 87387 |
| Larch Property Holdings Limited (formerly known as LR Property Holdings Limited) | Jersey | 85644 |
| Larch Life No 1 (UK) Ltd (formerly known as LR Life No 1 (UK) Limited) | England and Wales | 05139897 |
| Larch Boss Ltd (formerly known as LR Boss Limited) | England and Wales | 05085790 |
| Larch (Nursing Homes No 2) Ltd (formerly known as London & Regional (Nursing Homes No 2) Limited) | England and Wales | 06535173 |
| Larch (Nursing Homes) Ltd (formerly known as London & Regional (Nursing Homes) Limited) | England and Wales | 05007226 |

Schedule 2
RIGHTS OF RECEIVERS

Any Receiver appointed pursuant to Clause 17 (*Appointment of Receivers and Administrators*) shall have the right, either in its own name or in the name of the relevant Chargor or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person

(a) **Enter into possession**

to take possession of, get in and collect all or any part of the Security Assets, and to require payment to it or to any Finance Party of any Receivables,

(b) **Bank Accounts**

to apply, transfer or set-off any or all of the credit balances from time to time on any Bank Account in or towards payment or other satisfaction of all or part of the Secured Liabilities,

(c) **Carry on business**

to manage and carry on any business of that Chargor,

(d) **Contracts**

to enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract or arrangement to which that Chargor is a party,

(e) **Deal with Security Assets**

to sell, transfer, assign, exchange, hire out, lend, licence or otherwise dispose of or realise all or any part of the Security Assets (including any Fixtures, which may be sold separately from the related Real Property) to any person either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments or deferred),

(f) **Hive down**

to form a new company and to subscribe for or acquire (for cash or otherwise) any investment in or of the new company and to sell, transfer, assign, exchange and otherwise dispose of or realise any such investments or any rights attaching thereto,

(g) **Borrow money**

to borrow or raise money either unsecured or on the security of all or any part of the Security Assets (either in priority to the Security Interests or otherwise),

(h) **Lend money**

to lend money or advance credit to any person,

(i) **Covenants and guarantees**

to enter into bonds, covenants, guarantees, indemnities and other commitments,

(j) **Dealings with tenants**

to grant leases, tenancies, licences and rights of user, grant renewals and accept surrenders of leases, tenancies, licences or rights of user, and otherwise to reach agreements and make arrangements with, and to make allowances to, any lessees, tenants or other persons,

(k) **Rights of ownership**

to manage and use all or any part of the Security Assets and to exercise and do all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute beneficial owner of all or any part of the Security Assets,

(l) **Protection of Security Assets**

to insure all or any part of the Security Assets, to carry out decorations, repairs, alterations, improvements and additions to all or any part of the Security Assets (including the development or redevelopment of any Real Property), to commence and/or complete any building operation, to apply for and maintain any planning permission, building regulation approval or any other authorisation and to purchase or otherwise acquire or do anything in connection with all or any part of the Security Assets,

(m) **Legal actions**

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings relating to all or any part of the Security Assets or any business of that Chargor,

(n) **Claims**

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or relating to all or any part of the Security Assets or any business of that Chargor,

(o) **Redemption of Security**

to redeem any Security (whether or not having priority to the Security Interests) over all or any part of the Security Assets and to settle the accounts of any person with an interest in all or any part of the Security Assets,

(p) **Employees**

to appoint, hire and employ officers, employees, contractors, agents, advisors and others and to discharge any such persons and any such persons appointed, hired or employed by that Chargor,

(q) **Delegation**

to delegate in any manner to any person any rights exercisable by the Receiver under any Finance Document, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) as it thinks fit, and to pass confidential information to any such delegate,

(r) **Insolvency Act**

to exercise all powers set out in Schedule 1, Schedule B1 or (in the case of a Scottish Receiver) Schedule 2 to the Insolvency Act as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1 or Schedule 2, as the case may be, after the date of this Deed,

(s) **Receipts**

to give a valid receipt for any moneys and do anything which may be necessary or desirable for realising all or any part of Security Assets, and

(t) **Other powers**

to do anything else it may think fit for the realisation of all or any part of the Security Assets or incidental to the exercise of any of the rights conferred on the Receiver under or by virtue of any Finance Document to which the relevant Chargor is party, the Law of Property Act or the Insolvency Act

Schedule 3
REAL PROPERTY

| Chargor | Property Description | Title Number | Tenure |
|-----------------------------|--|---|------------------------------|
| Larch Boss Ltd | Great Horkesley Manor, Nayland Road, Great Horkesley, Colchester, Essex CO6 4ET | EX445283 | Freehold |
| Larch Boss Ltd | Nayland House Nursing Home, Bear Street, Nayland, Babergh, Suffolk CO6 4LA | SK190856 SK200198 | Freehold |
| Larch Life No 1 (UK) Ltd | Arden Court Care Centre, 76 Half Edge Lane, Eccles, Manchester M30 9BA | GM756277 (freehold) GM567638 GM756555 (leasehold) | Freehold and Leasehold |
| Larch Life No 1 (UK) Ltd | Astley Grange Care Centre, 288 Blackburn Road, Astley Bridge, Bolton, Lancashire BL1 8DU | LA108098 | Freehold |
| Larch Life No 1 (UK) Ltd | Brooks House Care Centre, 79/81 Western Road, Brentwood, Essex CM14 4ST | EX474707 | Freehold |
| Larch Life No 1 (UK) Ltd | Laureate Court Care Centre, Wellgate, Rotherham, South Yorkshire S60 2NX and S60 2QB (otherwise known as land lying to the East of Garfield Mount and Wellgate Nursing Home) | SYK316915 SYK344344 | Freehold |
| Larch Life No 1 (UK) Ltd | Memory House, 6/9 Marine Parade, Leigh on Sea, Essex SS9 2NA | EX162278 | Freehold |
| Larch Life No 1 (UK) Ltd | Middleton Manor Care Centre, 48 Wantz Road, America Street, Maldon, Essex CM9 7DJ (otherwise known as 40 - 56 Wantz Road) | EX549713 | Freehold |
| Larch Life No 1 (UK) Ltd | Nether Hall Care Centre, Nether Hall Road, Hartshorne, Swadlingcote, Derbyshire DE11 7AA (otherwise known as Nether Hall, Repton Road) | DY150595 | Freehold |
| Larch Life No 1 (UK) Ltd | The Old Rectory, Spring Lane, Lexden, Colchester, Essex CO3 4AP | EX547610 | Freehold |
| Larch Life No 1 (UK) Ltd | Rose Martha Care Centre, 64 Leigh Road, Leigh on Sea, Essex SS9 1LF | EX232112 | Freehold |

| Chargor | Property Description | Title Number | Tenure |
|--------------------------|--|------------------------------------|----------|
| Larch Life No 1 (UK) Ltd | The Squirrels Care Centre, Warley Road, Great Warley, Brentwood, Essex CM13 3HX | EX275018 | Freehold |
| Larch Life No 1 (UK) Ltd | White Rose Care Centre, White Rose Way, New Tredegar, Gwent NP24 6DF | WA536909 | Freehold |
| Larch Life No 1 (UK) Ltd | Wordsworth House Care Centre, Wordsworth Street, Hapton, Burnley, Lancashire BB12 7JX | LA583584 | Freehold |
| Larch Life No 1 (UK) Ltd | Caplin Lodge, Nevendon Road, Wickford, Essex SS12 0QH | EX726625 | Freehold |
| Larch Life No 1 (UK) Ltd | Mundy House, Church Road, Basildon, Essex SS14 2EY | EX726807 | Freehold |
| Larch Life No 1 (UK) Ltd | Church View, Green Lane, Stoneycroft, Liverpool (otherwise known as land on the South side of Brainerd Street, Tuebrook L13 7EB) | MS323280 | Freehold |
| Larch Life No 1 (UK) Ltd | Burgess House, 77-85 (Odd) Newport Road, Cardiff CF24 0AE | WA28971 (Freehold) | Freehold |
| Larch Life No 1 (UK) Ltd | Lauriston House, Bickley Park Road, Bickley, Bromley BR1 2AZ | SGL538389 (Freehold) | Freehold |
| Larch Life No 1 (UK) Ltd | Markfield Court, Ratby Lane, Markfield, Leicestershire LT67 9RN (otherwise known as land and buildings on the South East side of Ratby Lane, Markfield, land and buildings lying to the East of Ratby Lane, and Markfield Court) | LT169153 LT169154 (Freehold) | Freehold |
| Larch Life No 1 (UK) Ltd | Immanuel Nursing Home, 9 Valley Road, Chandlers Ford, Eastleigh, Hampshire S053 1GQ, | HP158950 | Freehold |
| Larch Life No 1 (UK) Ltd | Cavell House Nursing Home, Middle Road, Shoreham by Sea, West Sussex BN43 6LL | WSX170857 | Freehold |
| Larch Life No 1 (UK) Ltd | Ravenscroft Nursing Home, 44 Hilperton Road, Trowbridge, Wiltshire BA14 7JQ | WT169225 | Freehold |
| Larch Life No | The Briary Nursing Home, Reading Road | HP419378 | Freehold |

| Chargor | Property Description | Title Number | Tenure |
|--------------------------|---|----------------------|----------|
| 1 (UK) Ltd | North, Fleet, Hampshire GU51 4AN | | |
| Larch Life No 1 (UK) Ltd | Alexander Court, Guildhall Street, Thetford, Norfolk (otherwise known as land on the West side of Guildhall Street) | NK219698 | Freehold |
| Larch Life No 1 (UK) Ltd | Briar House, Losinga Road, Kings Lynn, Norfolk PE30 2DQ (and land on the South side of Salters Road, King's Lynn) | NK213078 NK99247 | Freehold |
| Larch Life No 1 (UK) Ltd | Cameron House Residential Nursing Home, Plumleys, Pitsea, Basildon SS13 1NQ | EX589994 | Freehold |
| Larch Life No 1 (UK) Ltd | Dungate Manor, Reigate Heath, Flanchford Road, Reigate, Surrey RH2 8QT | SY75894 | Freehold |
| Larch Life No 1 (UK) Ltd | Withy Grove House, Poplar Grove and land on the South side of Poplar Grove, Bamber Bridge, Preston, Lancashire PR5 6RE | LA538381 | Freehold |
| Larch Life No 1 (UK) Ltd | The Hollies, Reading Road, Burghfield Common, Reading, Berkshire RG7 3BH (and land on the South West side of The Hollies), | BK181592 BK137563 | Freehold |
| Larch Life No 1 (UK) Ltd | Diamond House Nursing and Residential Home, Bennett Street, Downham Market, Norfolk PE38 9EJ (otherwise known as land and buildings on the East side of Bennett Street) | NK209636 NK214029 | Freehold |
| Larch Life No 1 (UK) Ltd | Hillcrest Nursing Home, 106 Thorpe Road, Thorpe, Norwich NR1 1RT | NK248510 | Freehold |
| Larch Life No 1 (UK) Ltd | Heartlands Nursing and Residential Care Home, 50 Broadstone Road, Yardley, Birmingham B26 2BN, | WM615528 | Freehold |
| Larch Life No 1 (UK) Ltd | The Chanters Nursing Home, Tyldesley Old Road, Atherton, Manchester | GM672872 | Freehold |
| Larch Life No 1 (UK) Ltd | Bryden House Nursing Home, Marpool Lane, Kidderminster DY11 5DA | WR73517 | Freehold |
| Larch Life No 1 (UK) Ltd | Badgers Wood Nursing and Residential Home 29 School Road, Drayton, Norwich, Norfolk NR8 6EF | NK85485 | Freehold |
| Larch Life No 1 (UK) Ltd | Wickwar Nursing Home, Castle House, Sodbury Road, Wickwar, Wootton-under- | AV166554 AV193571 | Freehold |

| Chargor | Property Description | Title Number | Tenure |
|--------------------------|---|---|----------|
| | Edge, South Gloucestershire GL12 8NR | | |
| Larch Life No 1 (UK) Ltd | Dove Court, Kirkgate Street, Wisbech, Cambridgeshire PE13 3QU | CB249839 | Freehold |
| Larch Life No 1 (UK) Ltd | Harmony Court, Bull Ring, Nuneaton, Warwickshire CV10 7BC | WK391313 | Freehold |
| Larch Life No 1 (UK) Ltd | Swan House Nursing Home and 12 close care apartments, Pooles Lane, Willenhall, West Midlands WV12 5HH (otherwise known as land and buildings on the West side of Pooles Lane) | WM611634 WM737813 | Freehold |
| Larch Life No 1 (UK) Ltd | Kingfisher House Nursing Home and one close care flat, 77 South Road, Corby, Northamptonshire NN17 1UU | NN153892 | Freehold |
| Larch Life No 1 (UK) Ltd | Lily House Nursing Home, Lynn Road, Ely, Cambridgeshire CB5 1SD | CB232848 | Freehold |
| Larch Life No 1 (UK) Ltd | Edendale Care Home, Jasmin Close, Wisbech, Cambridgeshire PE13 3RN | CB226212 | Freehold |
| Larch Life No 1 (UK) Ltd | Whitby House, 99 Pooltown Road, Whitby, Ellesmere Port, South Wirral, Cheshire CH65 7AE | CH239105 | Freehold |
| Larch Life No 1 (UK) Ltd | The Old Rectory Nursing Home and Adjoining land, Stambridge Road, Great Stambridge, Essex SS4 2AR | EX599926 EX670952 | Freehold |
| Larch Life No 1 (UK) Ltd | Abbey Place Nursing Home, 90 Abbey Road, Fartown, Huddersfield HD2 1BB | WYK705063 | Freehold |
| Larch Life No 1 (UK) Ltd | Alexandra Nursing and Residential Home, Doncaster Road, Thrybergh, Rotherham S65 4AD | SYK66287 | Freehold |
| Larch Life No 1 (UK) Ltd | Alwoodleigh Nursing and Residential Home, 4 Bryan Road, Edgerton, Huddersfield, West Yorkshire HD2 2AH | WYK560190 | Freehold |
| Larch Life No 1 (UK) Ltd | Appleby Care Home, Military Road, North Shields, Tyne & Wear NE30 2AB (otherwise known as land and buildings on the West side of Military road) | TY342880 (title absolute) No title can be shown for part of the Property) | Freehold |

| Chargor | Property Description | Title Number | Tenure |
|--------------------------|---|---|----------|
| Larch Life No 1 (UK) Ltd | Belmont Residential Care Home, Inglewhite Road, Longridge, Preston PR3 2DB | LA680801 | Freehold |
| Larch Life No 1 (UK) Ltd | Birchwood Grove Nursing Home, 64 and 66 Sydney Road, Haywards Heath, West Sussex RH16 1QA | WSX111308 WSX111304 | Freehold |
| Larch Life No 1 (UK) Ltd | Bryan Wood Nursing and Residential Home, 1 Bryan Road, Edgerton, Huddersfield HD2 2AL | WYK414463 | Freehold |
| Larch Life No 1 (UK) Ltd | Cams Ridge Nursing and Residential Home, 7 Charlemont Drive, Cams Hill, Fareham PO16 8RT | HP172986 | Freehold |
| Larch Life No 1 (UK) Ltd | Cerne Abbas Care Centre, Cerne Abbas, Dorchester DT2 7AL (otherwise known as Cerne Abbas Manor) | DT192565 | Freehold |
| Larch Life No 1 (UK) Ltd | Cleveland Park Care Home, Cleveland Road, North Shields, Tyne & Wear NE29 0NW (including Garden 11, Garden 15, Allotment 24 and Garden 22 Fenwick Park Gardens Estate, land at Cleveland Park Care Home and land on the South side of Cleveland Road) | TY188596 TY155738 TY160373 TY316048 TY11885 TY188761 | Freehold |
| Larch Life No 1 (UK) Ltd | Eastfield Hall Nursing Home and Residential Home, Moss Road, Askern, Doncaster, South Yorkshire DN6 0JZ | SYK367629 | Freehold |
| Larch Life No 1 (UK) Ltd | Fairfield Manor Nursing and Residential Care Centre, and Woodlands Nursing Home, Fairfield Road, Broadstairs, Kent CT10 2JU <i>(Note this property incorporates 2 separate nursing homes)</i> | K786803 | Freehold |
| Larch Life No 1 (UK) Ltd | Hazelhurst, 23 Kings Road, Horsham RH13 5PP | WSX184054 | Freehold |
| Larch Life No 1 (UK) Ltd | Copper Beeches EMI Residential Home, Heath Mount Nursing and Residential Home, and Silver Birches EMI Residential Home, London Road, Rake, Liss, Hampshire GU33 7PG (including land adjoining Heath Mount Nursing and | HP550551 HP550552 HP550553 HP585986 | Freehold |

| Chargor | Property Description | Title Number | Tenure |
|--|--|-------------------------------|----------|
| | Residential Home and land on the North West and South East sides) <i>(Note this property incorporates 3 separate nursing homes)</i> | | |
| Larch Life No 1 (UK) Ltd | Beech House and Mountwood Care Home, 11 and 11A Millway Road, Andover, Hampshire SP10 3EU | HP347382 | Freehold |
| Larch Life No 1 (UK) Ltd | Highfield Nursing Home, Bekesbourne Lane, Bekesbourne, Kent (including land adjoining Highfield Nursing Home and land on the South side of Bekesbourne Lane) | K553893 K167051 K705018 | Freehold |
| Larch Life No 1 (UK) Ltd | Hope House Nursing Home, Rishton Road, Clayton-le-Moors, Accrington, Lancashire BB5 5PN (and land adjoining Hope House Nursing and Residential Home) | LAN18456 LA682321 | Freehold |
| Larch Life No 1 (UK) Ltd | Ladyfield Nursing and Residential Home, Peck Mill View, Ladyfield Road, Kiveton Park, Sheffield S26 6NR (otherwise known as land on the East side of Peckman Lane) | SYK337473 | Freehold |
| Larch Life No 1 (UK) Ltd | Ravenstone Nursing Home and Residential Home, 7 St Andrews Road, Droitwich Spa, Worcestershire WR9 8DJ | HW170957 | Freehold |
| Larch Life No 1 (UK) Ltd | Sowerby House Nursing Home, Front Street, Sowerby, Thirsk, North Yorkshire YO7 1JP (including The Cottage, Sowerby House) | NYK78532 NYK165381 | Freehold |
| Larch Life No 1 (UK) Ltd | Strathmore House Nursing and Residential Home, Friday Bridge Road, Wisbech, Cambridgeshire PE14 0AU | CB151174 | Freehold |
| Larch Life No 1 (UK) Ltd | St Marys Nursing Home and St Marys Courtyard Bungalows, Speedwell Crescent, Scunthorpe, Lincolnshire DN15 8UP | HS164505 | Freehold |
| Larch Life No 1 (UK) Ltd | Wainfleet Nursing Home, Rumbold Lane, Wainfleet All Saints, Skegness, Lincolnshire PE24 4DS | LL54386 | Freehold |
| Larch Life No 1 (UK) Limited (formerly | Sherford Manor, Wyvern Rd, Taunton, Somerset, TA1 4RA | | |

| Chargor | Property Description | Title Number | Tenure |
|--|----------------------|--------------|--------|
| known as LR Life No 1 (UK Limited) | | | |

Schedule 4
BANK ACCOUNTS

| Name of Chargor | Bank | Sort Code | Account Number | Name of Account |
|------------------------------|-----------------------------------|------------------|---------------------------|----------------------------|
| Larch (Nursing Homes) Ltd | The Royal Bank of Scotland plc | [REDACTED] | [REDACTED] | Rent Account |
| Larch (Nursing Homes) Ltd | The Royal Bank of Scotland plc | [REDACTED] | [REDACTED] | Disposals Account |
| Larch (Nursing Homes) Ltd | The Royal Bank of Scotland plc | [REDACTED] | [REDACTED] | Cash Trap Account |
| Larch (Nursing Homes) Ltd | The Royal Bank of Scotland plc | [REDACTED] | [REDACTED] | Capex Account |
| Larch (Nursing Homes) Ltd | The Royal Bank of Scotland plc | [REDACTED] | [REDACTED] | Locked Capex Account |
| Larch (Nursing Homes) Ltd | The Royal Bank of Scotland plc | [REDACTED] | [REDACTED] | Operating Account |

Schedule 5
SHARES

Larch (Nursing Homes) Holdco Ltd

| | | |
|------------------------------|------------------|---------------------------|
| Larch (Nursing Homes) Ltd | 1 Ordinary Share | Held in Certificated Form |
|------------------------------|------------------|---------------------------|

Larch (Nursing Homes) Ltd

| | | |
|-----------------------------------|------------------|---------------------------|
| Larch (Nursing Homes No 2) Ltd | 1 Ordinary Share | Held in Certificated Form |
|-----------------------------------|------------------|---------------------------|

Larch Property Holdings Limited

| | | |
|--------------------------|------------------|---------------------------|
| Larch Life No 1 (UK) Ltd | 1 Ordinary Share | Held in Certificated Form |
| Larch Boss Ltd | 1 Ordinary Share | Held in Certificated Form |

Schedule 7
FORM OF NOTICE OF ASSIGNMENT OF INSURANCES

From [] (the "Security Trustee") and [] (the "Chargor")
To [The Insurers]
Address
Dated

Dear Sirs

[Chargors] – Security Agreement
dated [] (the "Security Agreement")

- 1 We refer to the Security Agreement
- 2 We give notice that by an assignment contained in the Security Agreement the Chargor assigned to the Security Trustee by way of security *all its right, title and interest from time to time in and to the insurances*, details of which are set out in the attached schedule (the "**Insurances**"), including all moneys or proceeds paid or payable deriving from the Insurances and all rights or claims in relation to the Insurances
- 3 All moneys payable by you to the Chargor in respect of the Insurances other than third party Insurances shall be paid to the account notified to you by the Chargor, *unless and until you receive written notice from the Security Trustee to the contrary*, in which event you should make all future payments as then directed by the Security Trustee
- 4 Subject to any applicable legislation and despite the assignments referred to above, all sums in respect of any claim under any third party Insurance by an insured party shall be paid
 - (a) directly to the person whose claim(s) constitute(s) the risk or liability insured against, provided that such person has executed a discharge of all claims against each insured party in respect of the risk or liability in relation to which the claim was made, or
 - (b) (despite any policy term to the contrary) to the extent that insurers accept liability to indemnify the insured party in respect of the claims or liabilities which the insured party has settled directly with the claimant, to the relevant insured party
- 5 This authority and instruction is irrevocable without the prior written consent of the Security Trustee
- 6 This notice of assignment and any non-contractual obligations arising out of or in connection with it are governed by English law. The courts of England have *exclusive jurisdiction to settle any dispute arising out of or in connection with this notice of assignment* (including a dispute relating to the existence, validity or termination of this notice of assignment or any non-contractual obligation arising out of or in connection with this notice of assignment)

7 Please acknowledge receipt of this notice of assignment and confirm that

- (a) you will pay all moneys in respect of the Insurances as directed by or pursuant to this notice of assignment,
- (b) you have not received any other notice of any assignment of any Insurance or of any other interest of any third party in any Insurance,
- (c) you will not claim or exercise any set-off or counterclaim in respect of any Insurance, and
- (d) you will comply with the other provisions of this notice of assignment,

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Trustee at [____], marked for the attention of [_____]

[Security Trustee]

[Chargor]

By

By

[On duplicate]

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in paragraphs (a) - (d) of paragraph 7 of the notice of assignment

[The Insurers]

By

Dated

THE SCHEDULE

Insurances assigned

[insert relevant details]

Schedule 8
PART A
FORM OF NOTICE OF ASSIGNMENT OF BANK ACCOUNTS

From [] (the "Security Trustee") and [] (the "Assignor")
To [Bank where Bank Account is held]
Address
Dated

Dear Sirs

[Assignors] – Security Agreement over Bank Accounts
dated [] (the "Security Agreement")

- 1 We refer to the Security Agreement
- 2 We give notice that by an assignment contained in the Security Agreement the Assignor assigned to the Security Trustee by way of security all its right, title and interest from time to time in and to the Bank Account[s], details of which are set out in the attached schedule (the "**Bank Account[s]**"), including all balances from time to time standing to the credit of or accrued or accruing on the Bank Accounts and all rights or claims in relation to the Bank Accounts
- 3 Until you receive written instructions from the Security Trustee to the contrary
 - (a) all rights, powers and discretions of the Assignor in relation to any Bank Account shall be exercisable solely by the Security Trustee,
 - (b) no moneys may be released from any Bank Account without the prior written consent of the Security Trustee, and
 - (c) you should apply any amount standing to the credit of or accrued or accruing on any Bank Account as directed from time to time by the Security Trustee in writing

However, until you receive written notice from the Security Trustee to the contrary, the Assignor shall be entitled to agree with you the maturity dates from time to time for the amount standing to the credit of any Bank Account up to a maximum maturity period of [three months] [and the rate of interest payable on any Bank Account [provided that the rate of interest shall not be less than [[]%]/[the rate then usually payable by you on similar amounts in the same currency and for the same maturity date]]

- 4 This authority and instruction is irrevocable without the prior written consent of the Security Trustee
- 5 This notice of assignment and any non-contractual obligations arising out of or in connection with it are governed by English law. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice of assignment (including a dispute

relating to the existence, validity or termination of this notice of assignment or any non-contractual obligation arising out of or in connection with this notice of assignment)

6 Please acknowledge receipt of this notice of assignment and confirm that

- (a) you will pay all moneys in respect of any Bank Account as directed by or pursuant to this notice of assignment,
- (b) you have not received any other notice of any assignment of or security over any Bank Account or of any other interest of any third party in any Bank Account,
- (c) you will not claim or exercise any set-off or counterclaim in respect of any Bank Account,
- (d) you will disclose to the Security Trustee such information relating to any Bank Account as the Security Trustee may from time to time request, and
- (e) you will comply with the other provisions of this notice of assignment,

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Trustee at [____], marked for the attention of [____]

[Security Trustee]

[Assignor]

By

By

[On duplicate]

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in paragraphs (a) – (e) of paragraph 6 of the notice of assignment

[Bank where Bank Account is held]

By

Dated

SCHEDULE 8

PART B

From [] (the "Security Trustee") and [] (the "Assignor")

To [Bank where Bank Account is held]

Address

Dated

Dear Sirs

**[Assignors] – Security Agreement over Bank Accounts
dated [] (the "Security Agreement")**

- 1 We refer to the Security Agreement
- 2 We give notice that by an assignment contained in the Security Agreement the Assignor assigned to the Security Trustee by way of security all its right, title and interest from time to time in and to the Bank Account[s], details of which are set out in the attached schedule (the "**Bank Account[s]**"), including all balances from time to time standing to the credit of or accrued or accruing on the Bank Accounts and all rights or claims in relation to the Bank Accounts
- 3 Until you receive written instructions from the Security Trustee to the contrary, you should apply any amount standing to the credit of or accrued or accruing on any Bank Account as directed from time to time by the Assignor
- 4 However, upon receipt of notice from the Security Trustee
 - (a) all rights, powers and discretions of the Assignor in relation to the Bank Account shall be exercisable solely by the Security Trustee,
 - (b) you shall not permit any moneys to be released from any Bank Account without the prior written consent of the Security Trustee, and
 - (c) you shall apply any amount standing to the credit of or accrued or accruing on any Bank Account as directed from time to time by the Security Trustee
- 5 This authority and instruction is irrevocable without the prior written consent of the Security Trustee
- 6 This notice of assignment and any non-contractual obligations arising out of or in connection with it are governed by English law. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice of assignment (including a dispute relating to the existence, validity or termination of this notice of assignment or any non-contractual obligation arising out of or in connection with this notice of assignment)
- 7 Please acknowledge receipt of this notice of assignment and confirm that
 - (a) you will pay all moneys in respect of any Bank Account as directed by or pursuant to this notice of assignment,

- (b) you have not received any other notice of any assignment of or security over any Bank Account or of any other interest of any third party in any Bank Account,
- (c) you will not claim or exercise any set-off or counterclaim in respect of any Bank Account,
- (d) you will disclose to the Security Trustee such information relating to any Bank Account as the Security Trustee may from time to time request, and
- (e) you will comply with the other provisions of this notice of assignment,

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Trustee at [____], marked for the attention of [_____]

[Security Trustee]

[Assignor]

By

By

[On duplicate]

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in paragraphs (a) – (e) of paragraph 7 of the notice of assignment

[Bank where Bank Account is held]

By

Dated

Schedule 9
HEDGING AGREEMENTS

The ISDA Master Agreement (Multicurrency – Cross Border) and Schedule entered into between The Royal Bank of Scotland plc and Larch (Nursing Homes) Limited ("**LNHL**") dated as of 15 October 2005 in respect of Senior Hedging Agreements relation to the Senior Advance,

The interest rate swap transaction (the "**IRS Transaction**") between The Royal Bank of Scotland plc and LNHL evidenced by a confirmation dated 13 October 2005 (reference D12151927) which supplements, forms part of and is governed by the Swap Agreement, and

The partial termination between The Royal Bank of Scotland plc dated on or about the date of this Deed

Schedule 9
FORM OF NOTICE OF ASSIGNMENT OF HEDGING AGREEMENTS

From [] (the "Security Trustee") and [] (the "Chargor")

To [Party to the Hedging Agreement]

Address

Dated

Dear Sirs

[Chargors] – Security Agreement over Hedging Agreements and Bank Accounts
dated [] (the "Security Agreement")

- 1 We refer to the Security Agreement
- 2 We give notice that by an assignment contained in the Security Agreement the Chargor assigned to the Security Trustee by way of security all its right, title and interest from time to time in and to the Hedging Agreements, details of which are set out in the attached schedule (the "Hedging Agreements"), including all rights or claims in relation to the Hedging Agreements
- 3 Until you receive written instructions from the Security Trustee to the contrary, all moneys payable by you to the Chargor in respect of the Hedging Agreements shall be paid to the account notified to you by the Chargor
- 4 Despite the assignment referred to above or the making of any payment by you to the Security Trustee under or in connection with it
 - (a) the Chargor shall remain liable to perform all its obligations under each Hedging Agreement, and
 - (b) the Security Trustee and any Delegate shall not at any time be under any obligation or liability to you under or in respect of any Hedging Agreement
- 5 The Chargor shall remain entitled to exercise its rights, powers and discretions under each Hedging Agreement, except that the Chargor shall not and you agree that the Chargor shall not, without the prior written consent of the Security Trustee
 - (a) amend, supplement, vary or waive (or agree to amend, supplement, vary or waive) any provision of any Hedging Agreement,
 - (b) exercise any right to rescind, cancel or terminate any Hedging Agreement,
 - (c) release any counterparty from any obligations under any Hedging Agreement,
 - (d) waive any breach by any counterparty or consent to any act or omission which would otherwise constitute such a breach, or
 - (e) except as provided in the Security Agreement, novate, transfer or assign any of its rights under any Hedging Agreement

- 6 You are authorised and instructed, without requiring further approval, to provide the Security Trustee with such information relating to the Hedging Agreements as it may from time to time request and to send to the Security Trustee and us copies of all notices issued by you
- 7 This authority and instruction is irrevocable without the prior written consent of the Security Trustee
- 8 This notice of assignment and any non-contractual obligations arising out of or in connection with it are governed by English law. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice of assignment (including a dispute relating to the existence, validity or termination of this notice of assignment or any non-contractual obligation arising out of or in connection with this notice of assignment)
- 9 Please acknowledge receipt of this notice of assignment and confirm that
- (a) you will pay all moneys in respect of each Hedging Agreement as directed by or pursuant to this notice of assignment,
 - (b) you have not received any other notice of any assignment of a Hedging Agreement,
 - (c) you will not claim or exercise any set-off or counterclaim in respect of any Hedging Agreement, and
 - (d) you will comply with the other provisions of this notice of assignment,

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Trustee at [], marked for the attention of []

[Security Trustee] [Chargor]

By By

[On duplicate]

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in paragraphs (a) - (d) of paragraph 9 of the notice of assignment

[Party to the Hedging Agreement]

By

Dated

THE SCHEDULE

Hedging Agreements assigned

[insert relevant details]

Schedule 10
FORM OF NOTICE OF ASSIGNMENT OF REAL PROPERTY RELATED RIGHTS

From [] (the "Security Trustee") and [] (the "Chargor")
To [Party to the Real Property Related Right]
Address
Dated

Dear Sirs

[Chargors] – Security Agreement over Real Property Related Rights and Bank Accounts
dated [] (the "Security Agreement")

- 1 We refer to the Security Agreement
- 2 We give notice that by an assignment contained in the Security Agreement the Chargor assigned to the Security Trustee by way of security all its right, title and interest from time to time in and to the Real Property Related Rights, details of which are set out in the attached schedule (the "**Real Property Related Rights**"), including all rights or claims in relation to the Real Property Related Rights
- 3 Until you receive written instructions from the Security Trustee to the contrary, all moneys payable by you to the Chargor in respect of the Real Property Related Rights shall be paid to the account notified to you by the Chargor
- 4 Despite the assignment referred to above or the making of any payment by you to the Security Trustee under or in connection with it
 - (a) the Chargor shall remain liable to perform all its obligations under each Real Property Related Right, and
 - (b) the Security Trustee and any Delegate shall not at any time be under any obligation or liability to you under or in respect of any Real Property Related Right
- 5 The Chargor shall remain entitled to exercise its rights, powers and discretions under each Real Property Related Right, except that the Chargor shall not and you agree that the Chargor shall not, without the prior written consent of the Security Trustee
 - (a) amend, supplement, vary or waive (or agree to amend, supplement, vary or waive) any provision of any Real Property Related Right,
 - (b) exercise any right to rescind, cancel or terminate any Real Property Related Right,
 - (c) release any counterparty from any obligations under any Real Property Related Right,
 - (d) waive any breach by any counterparty or consent to any act or omission which would otherwise constitute such a breach, or

- (e) except as provided in the Security Agreement, novate, transfer or assign any of its rights under any Real Property Related Right
- 6 You are authorised and instructed, without requiring further approval, to provide the Security Trustee with such information relating to the Real Property Related Rights as it may from time to time request and to send to the Security Trustee and us copies of all notices issued by you
- 7 This authority and instruction is irrevocable without the prior written consent of the Security Trustee
- 8 This notice of assignment and any non-contractual obligations arising out of or in connection with it are governed by English law. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice of assignment (including a dispute relating to the existence, validity or termination of this notice of assignment or any non-contractual obligation arising out of or in connection with this notice of assignment)
- 9 Please acknowledge receipt of this notice of assignment and confirm that
- (a) you will pay all moneys in respect of each Real Property Related Right as directed by or pursuant to this notice of assignment,
 - (b) you have not received any other notice of any assignment of a Real Property Related Right,
 - (c) you will not claim or exercise any set-off or counterclaim in respect of any Real Property Related Right, and
 - (d) you will comply with the other provisions of this notice of assignment,

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Trustee at [____], marked for the attention of [_____]

[Security Trustee]

[Chargor]

By

By

[On duplicate]

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in paragraphs (a) - (d) of paragraph 9 of the notice of assignment

[Party to the Real Property Related Right]

By

Dated

THE SCHEDULE

Real Property Related Rights assigned

[insert relevant details]

SIGNATURES

SIGNED as a DEED by Larch (Nursing Homes)

Holdco acting

By

Name

Position

[REDACTED]
Guy BLYNEN
DIRECTOR.

In the presence of

[REDACTED]

Name

STELIOS PITTAS

Address

LINKLATERS LLP,
ONE SILK STREET, EC2Y 8HQ
LONDON

Occupation

[REDACTED]

SIGNED as a DEED by Larch (Nursing Homes)

Ltd acting

By

Name

Position

[REDACTED]
Guy BLYNEN
DIRECTOR.

In the presence of

[REDACTED]

Name

STELIOS PITTAS

Address

LINKLATERS LLP,
ONE SILK STREET, EC2Y 8HQ, LONDON

[REDACTED]


Occupation

**SIGNED as a DEED by Larch (Nursing Homes
No. 2) Ltd acting**

By

Name

Position


Gordon S. G. G.
DIRECTOR

In the presence of

Name

Address

Occupation

STELIOS PITTA

*LINKLATERS LLP,
ONE SILK STREET, LONDON
EC2Y 8HQ*

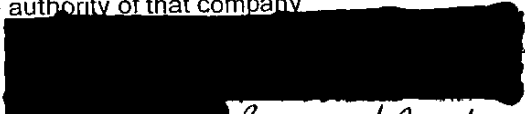


**SIGNED as a DEED on behalf of Larch Group
Holdings Limited incorporated in Jersey in
accordance with the laws of that territory, acting
under the authority of that company**

By

Name

Position


Gordon S. G. G.
DIRECTOR

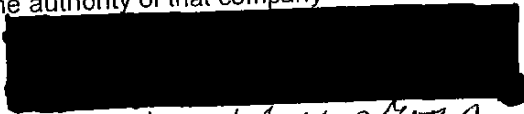
**SIGNED as a DEED on behalf of Larch Property
Holdings Limited, incorporated in Jersey in
accordance with the laws of that territory, acting**

under the authority of that company

By

Name

Position


GUY BIGNON

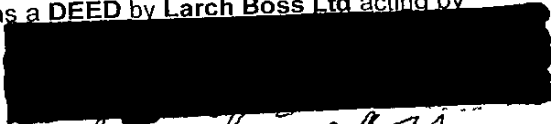
DIRECTOR

SIGNED as a DEED by Larch Boss Ltd acting by

By

Name

Position


GUY BIGNON

DIRECTOR

In the presence of

Name

Address

Occupation

STELIOS PITTAS

LINKLATERS LLP,
ONE SILK STREET, LONDON
EC2Y 8HQ


SIGNED as a DEED by Larch Life No. 1 (UK) Ltd

acting

By

Name

Position


GUY BIGNON

DIRECTOR

In the presence of



Name

STELIOS PITTAS

Address

~~ONE ST~~ LINKLATERS LLP
ONE SILK STREET, LONDON
EC2Y 8HQ

Occupation



SIGNED for and on behalf of The Royal Bank of
Scotland [REDACTED]

By [REDACTED]

Name *SHAWN K KAUFMAN*

Position [REDACTED]

in the presence of [REDACTED]

Address

Fax No

Attention

*STELIOS PATTAS
LINKLATORS CLP,
ONE SILK STREET
LONDON, EC2Y 8HQ*