



**Registration of a Charge**

Company Name: **RUTHERFORD HEALTH PLC**

Company Number: **09420705**



Received for filing in Electronic Format on the: **30/03/2022**

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**Details of Charge**

Date of creation: **23/03/2022**

Charge code: **0942 0705 0005**

Persons entitled: **GLAS TRUST CORPORATION LIMITED**

Brief description: **THE LEASEHOLD PROPERTY BEING NORTHUMBERLAND CANCER CENTRE, THE LAND ON THE EAST SIDE OF THORNLEY TERRACE, BEDLINGTON, NORTHUMBERLAND, NE22 7FD REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER ND185296. THE LEASEHOLD PROPERTY KNOWN AS RUTHERFORD CANCER CENTRE, 2 MASON STREET EDGE HILL, LIVERPOOL, L7 SEW REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER MS651870. THE LEASEHOLD PROPERTY KNOWN AS PLOTS 3 AND 4, THAMES VALLEY SCIENCE PARK, SHINFIELD, READING REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER BK498627.**

**Contains floating charge(s) .**

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

**COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION  
FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**BATES WELLS**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 9420705

Charge code: 0942 0705 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd March 2022 and created by RUTHERFORD HEALTH PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th March 2022 .

Given at Companies House, Cardiff on 4th April 2022

The above information was communicated by electronic means and authenticated  
by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

23 March 2022

**THE ENTITIES LISTED IN SCHEDULE 2**  
(as Chargors)

**AND**

**GLAS TRUST CORPORATION LIMITED**  
(as Security Agent)

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**SECURITY AGREEMENT**

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THIS DEED is made on 23 March 2022

Between

- (1) **THE COMPANIES** listed in Schedule 1 (the "**Chargors**"); and
- (2) **GLAS TRUST CORPORATION LIMITED** (the "**Security Agent**").

This deed witnesses

## 1 DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

This Security Agreement is intended to be a deed between the parties to it and is referred to here as "**this Deed**". In this Deed, the following terms have the meanings set out in this Clause.

"**AB Loan Agreement**" means the loan agreement dated 7 March 2022 and made between Rutherford Health PLC (as borrower) and Alain Jean Paul Baron (as lender) (as amended and/or restated from time to time);

"**Account Bank**" means a person with whom a Chargor maintains an account;

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

"**Convertible Loan Note Instrument**" means the convertible loan note instrument dated 3 February 2022 and issued by Rutherford Health PLC (as amended and/or amended and restated from time to time);

"**Default Rate**" means the rate which is two per cent. per annum higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a loan under the Shareholder Loan Agreement or the Convertible Loan Note Instrument (as applicable) or the AB Loan Agreement;

"**Delegate**" means any delegate, agent, attorney or co-trustee appointed by the Security Agent or Receiver;

"**Disruption Event**" means either or both of:

- (a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Loan Documents which disruption is not caused by, and is beyond the control of, any Party; or
- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other Party:
  - (i) from performing its payment obligations under the Loan Documents; or

- (ii) from communicating with other Parties in accordance with the terms of the Loan Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted;

**"Dividend"** means all dividends, interest and other distributions paid or payable or arising from time to time in respect of any Investment;

**"Environment"** means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media: air (including, without limitation, air within natural or man-made structures, whether above or below ground); water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and land (including, without limitation, land under water);

**"Environmental Claim"** means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law;

**"Environmental Law"** means any applicable law or regulation which relates to: the pollution or protection of the Environment; the conditions of the workplace; or the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste;

**"Environmental Permits"** means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any Chargor conducted on or from the properties owned or used by any Chargor;

**"Equipment"** means the following:

- (a) the Proton Equipment; and
- (b) any other equipment supplied to a Chargor by a Supplier (to include all replacements and renewals thereof and of any parts thereof and all additions and accessories which form an integral part of such equipment) and designated as "Equipment" by a Chargor and the Security Agent;

**"Excluded Insurance Proceeds"** means any proceeds of an insurance claim which any Chargor notifies the Security Agent are, or are to be, applied:

- (a) to meet a third party claim; or
- (b) to cover operating losses in respect of which the relevant insurance claim was made,

in each case as soon as possible (but in any event within 90 days, or such longer period as the Security Agent may agree) after receipt;

**"Excluded Property"** means the leasehold property known as Newport Cancer Centre, Celtic Springs Spooner Close Newport, NP10 8FZ as pending registration at HM Land Registry with allocated title number CYM817106;



**"Excluded Subsidiary"** means Investissements Rutherford Canada Inc., (also known as Rutherford Investments Canada Inc.) a company incorporated in Quebec with enterprise number 1175050823;

**"Event of Default"** means each event of default as set out in Clause 12 of the Shareholder Loan Agreement and paragraph 4 of Schedule 4 of the Convertible Loan Note Instrument (as applicable) or the AB Loan Agreement.

**"Financial Collateral"** shall have the same meaning as it has in the Regulations;

**"Financial Indebtedness"** means any indebtedness for or in respect of:

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
- (c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a balance sheet liability;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirement for de-recognition);
- (f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price;
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (i) an underlying liability of an entity which is not a Chargor which liability would fall within one of the other paragraphs of this definition or (ii) any liabilities of any Chargor relating to any post-retirement benefit scheme;
- (h) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 90 days after the date of supply;
- (i) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the GAAP; and

the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (i) above amounting to not more than £50,000 per annum, calculated under pre-IFRS 16 rules applying to operating leases;

**"GAAP"** means generally accepted accounting principles in England and Wales;

**"Insurances"** means each contract or policy of insurance to which any Chargor is a party or in which it has an interest;

**"Insurance Proceeds"** means all amounts payable from time to time to under each of the Insurances (other than Excluded Insurance Proceeds) and all rights in connection with those amounts including any payment by way of refund;

**"Insured Risks"** means loss or damage by any of the following: aircraft and other aerial devices and articles dropped from them; apparatus or pipes, bursting or overflowing of water tanks; civil commotion; earthquake; explosion; fire; flood; impact; lightning; malicious damage; riot, storm and tempest; vehicular impact, subsidence; acts of terrorism; all other normally insurable risks of loss or damage, including any third party liability arising from such acts and insure such other risks as a prudent company in the same business as any Chargor would insure;

**"Intellectual Property Rights"** means:

- (a) any patents, petty patents, trademarks, service marks, trade names, designs, business names, domain names, moral rights, rights in designs, software rights, utility models, database rights, copyrights, rights in the nature of copyright, and all other forms of intellectual or industrial property and other intellectual property rights and interests;
- (b) any rights in or to inventions, formulae, confidential or secret processes and information, know-how and similar rights, topographical or similar rights, goodwill and any other rights and assets of a similar nature and other intellectual property rights and interests;
- (c) any other right to use, or application to register or protect, any of the rights listed in paragraphs (a) or (b),

arising or subsisting in any jurisdiction and whether registered or not;

**"Intercreditor Agreement"** means the intercreditor agreement dated 15 December 2021 and made between the Chargors as borrower, the Senior Creditor as senior creditor and the Shareholders as junior lenders (as amended and/or amended and restated from time to time);

**"Investments"** means all or any shares, debentures, stocks, bonds and securities of any kind negotiable instruments, warrants, other investments of whatever nature, any other financial instruments as defined in the Regulations, all equivalent financial collateral as defined in the Regulations; and the assets listed in Schedule 3 (*Investments*), which, for the avoidance of doubt, excludes the Excluded Subsidiary;

**"LPA"** means the Law of Property Act 1925;

**"Lease Document"** means an Occupational Lease, and any agreement to grant an Occupational Lease, and any other document so designated by the Security Agent and any Chargor;

**"Leasehold Documents"** means the leasehold documents between the relevant landlord and the relevant Chargor in respect of the Leasehold Properties;

**"Leasehold Properties"** means the properties being Northumberland Cancer Centre, the land on the east side of Thornley Terrace, Bedlington, Northumberland NE22 7FD, The Rutherford Cancer Centre, 2 Mason Street Edge Hill Liverpool L7 SEW and Plots 3 and 4, Thames Valley Science Park, Shinfield, Reading;

**"Legal Mortgage"** means a charge by way of legal mortgage in respect of any Real Property by any Chargor in favour of the Security Agent substantially in the form set out in Schedule 8 (*Form of Legal Mortgage*);

**"Legal Reservations"** means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under the Limitation Acts, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim; and
- (c) similar principles, right and defences under the laws of England and Wales;

**"Limitation Acts"** means the Limitation Act 1980 and the Foreign Limitation Periods Act 1984;

**"Loan Documents"** means:

- (a) this Deed;
- (b) the Shareholder Loan Agreement;
- (c) the Convertible Loan Note Instrument;
- (d) the Notes (as defined in the Convertible Loan Note Instrument);
- (e) the AB Loan Agreement;
- (f) the Intercreditor Agreement;
- (g) any other document designated as a "Finance Document" under the Shareholder Loan Agreement; and
- (h) any other document designated as a "Note Document" under the Convertible Loan Note Instrument.

**"Maintenance Agreement"** means each service and maintenance agreement in respect of Equipment, or any other service and maintenance agreement in respect of Equipment designated by any Chargor which is in a form, and with a party, acceptable to the Security Agent;

**"Material Adverse Effect"** means a material adverse effect on:

- (a) the business, operations, property, condition (financial or otherwise) or prospects of the Chargors taken as a whole; or
- (b) the ability of a Chargor to perform its obligations under this Deed or any Loan Document;
- (c) subject to any Legal Reservations or Perfection Requirements, the validity or enforceability of, or the effectiveness or ranking of any Security granted or

purporting to be granted pursuant to any of, this Deed or the rights or remedies of the Security Agent under this Deed; or

- (d) the rights and remedies of the Shareholders and/or the Security Agent under each Loan Document;

**"Material Contracts"** means the Supply Agreements;

**"Occupational Lease"** means any lease, licence, other right of occupation, or right to receive rent to which any of any Chargor's Real Property may be subject, including any guarantee of a tenant's obligations under such arrangements at any time;

**"Operating Account"** means each of the following accounts:

Account Name	Sort Code	Account Number
Rutherford Estates Limited (EUR)	██████	██████
Rutherford Health PLC (EUR)	██████	██████
Rutherford Innovations Limited (GBP)	██████	██████
Rutherford Health PLC (GBP)	██████	██████
Proton Partners International Limited (GBP)	██████	██████
Rutherford Cancer Care Limited (GBP)	██████	██████
Rutherford Diagnostics Limited (GBP)	██████	██████
Rutherford Infrastructures Limited (GBP)	██████	██████
Rutherford Estates Limited (GBP)	██████	██████
Rutherford Estate Management Limited	██████	██████
Rutherford Estate Management Limited	██████	██████
Rutherford Estates Limited (USD)	██████	██████
Rutherford Cancer Care Limited (USD)	██████	██████
Rutherford Health PLC (USD)	██████	██████
Rutherford Cancer Care Limited	██████	██████

**"Party"** means a party to this Deed;

**"Perfection Requirements"** means the making or procuring of appropriate registrations, filings, endorsements, notarisations, stampings and/or notifications of this Deed and/or any Loan Document (as applicable) and/or the Security expressed to be created under this Deed for the enforceability or production in evidence of this Deed;

**"Permitted Acquisition"** means:

- (a) the incorporation of any body corporate; or
- (b) any acquisition by any Chargor of:
  - (i) any shares or securities of any company; or
  - (ii) a business or undertaking,

(or in each case, any interest in any of them) conducting substantially the same or similar business to that of the Chargors, but only if such acquisition does not have a Material Adverse Effect on the Chargors;

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

- (a) of trading stock or cash made by any Chargor in the ordinary course of trading of the disposing entity;
- (b) arising as a result of any Permitted Security;
- (c) of any assets by any Chargor (the **"Disposing Company"**) to another Chargor (the **"Acquiring Company"**) provided that if the Disposing Company had given Security over the relevant asset, the Acquiring Company must give equivalent Security over that asset;
- (d) of cash;
- (e) of cash equivalent investments for treasury management purposes for cash or in exchange for other cash equivalent investments;
- (f) of assets (other than shares, businesses or Real Property and other assets which are the subject of a fixed charge in favour of the Security Agent) in exchange for other assets comparable or superior as to type, value and quality;
- (g) of obsolete or redundant vehicles, plant and equipment for cash;
- (h) of cash for assets, cash equivalent investments for cash or in exchange for other cash equivalent investments;
- (i) of fixed assets (other than shares, businesses or Real Property and other assets which are the subject of a fixed charge in favour of the Security Agent) where the proceeds of disposal are used within two months of that disposal to purchase replacement fixed assets comparable or superior as to type, value and quality;
- (j) of shares in the Excluded Subsidiary; or
- (k) of assets (other than shares, businesses or Real Property and other assets which are the subject of a fixed charge in favour of the Security Agent):

- (i) for cash; or
- (ii) by way of sale and leaseback,

where the net consideration receivable or the proceeds of all such disposals (when aggregated with the net consideration receivable for any other sale, lease, licence, transfer or other disposal not allowed under the preceding paragraphs or as a Permitted Transaction) does not exceed £250,000 in any given financial year;

**"Permitted Financial Indebtedness"** means Financial Indebtedness:

- (a) arising under any agreement between a Chargor and the Senior Creditor;
- (b) arising under any agreement between a Chargor and any Shareholder;
- (c) arising under a Permitted Loan, Permitted Transaction or Permitted Disposal;
- (d) arising under spot and forward foreign exchange transactions entered into in order to settle foreign currency liabilities incurred in the ordinary course of trade;
- (e) arising under a loan provided by any Chargor to another Chargor;
- (f) arising under any cash pooling, netting or cash management arrangements with any bank or other financial institution, in the ordinary course of business of its banking arrangements for the purpose of netting debit and credit balances; or
- (g) not permitted by the preceding paragraphs or as a Permitted Transaction, or under any finance or capital leases of vehicles, plant, equipment or computers, save where the outstanding principal amount will not exceed £250,000 in aggregate;

**"Permitted Loan"** means:

- (a) any trade credit extended by any Chargor to its customers on normal commercial terms and in the ordinary course of its trading activities and any advance payment made in relation to capital expenditure in the ordinary course of business;
- (b) any loan made by any Chargor to another Chargor; or
- (c) any loan made by any Chargor to the Excluded Subsidiary provided that such loans, in aggregate, do not exceed CAD 3,000,000 (or its equivalent);

**"Permitted Security"** means:

- (a) the Senior Security;
- (b) any Security constituted by this Deed;
- (c) any lien or right of set-off arising by operation of law or agreement of similar effect and in the ordinary course of trading and if arising as a result of any default or omission by a Chargor, which does not subsist for a period of more than 20 Business Days;
- (d) any Security arising by operation of law or under any lien or any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Chargor in the ordinary course of trading and on a

supplier's standard or usual terms and not arising as a result of any default or omission of any Chargor;

- (e) any Security arising as a consequence of any finance or capital lease permitted pursuant to paragraph (e) of the definition of "Permitted Financial Indebtedness";
- (f) any Security over any rental deposits in respect of any property leased or licensed by a Chargor in respect of amounts representing not more than 12 months' rent for that property;
- (g) any Security over bank accounts or retention rights in favour of the account holding bank and granted as part of that financial institution's standard terms and conditions;
- (h) any Security arising by operation of law in respect of taxes being contested in good faith or that are not yet due; or
- (i) any Security created by Rutherford Health PLC over the shares it owns in any company which is not a Chargor;

**"Permitted Share Issue"** means an issue of:

- (a) shares by Rutherford Health PLC in connection with the Convertible Loan Note Instrument;
- (b) ordinary shares by Rutherford Health PLC, paid for in full in cash or for non-cash consideration and which by their terms are not redeemable and where such shares are of the same class and on the same terms as those in issue at the date of this Deed; or
- (c) shares by any Chargor to its immediate holding company where, if the existing shares are the subject of Security, the newly-issued shares also become subject to Security on the same terms;

**"Permitted Transaction"** means:

- (a) any disposal required, Financial Indebtedness incurred, guarantee, indemnity or Security given, or other transaction arising, under the Supply Agreements or the Maintenance Agreements;
- (b) any disposal required, Financial Indebtedness incurred, guarantee, indemnity or Security given, or other transaction arising, under or in connection with circumstances agreed in writing between the Security Agent and any Chargor; or
- (c) transactions other than:
  - (i) any sale, lease, license, transfer or other disposal; and
  - (ii) the granting or creation of Security or the incurring or permitting to subsist of Financial Indebtedness,

conducted in the ordinary course of trading on arm's length terms;

**"Proton Equipment"** means the proton therapy equipment supplied by Ion Beam Applications S.A. and the radiotherapy machines and diagnostic machines at the properties listed in Schedule 2 (*Real Property charged by way of legal mortgage*);

**"Real Property"** means:

- (a) all right, title and interest in all interests in all freehold, leasehold and commonhold property of any Chargor, from time to time situated in England and Wales, other than the Excluded Property;
- (b) all buildings or parts of buildings on or part of any property referred to in paragraph (a);
- (c) all fixtures, fittings and fixed plant and machinery, including trade fixtures and fittings, from time to time, situated on or forming part of any property referred to in paragraph (a);

**"Receiver"** means a receiver, manager or where permitted an administrative receiver appointed, whether alone or jointly and whether appointed under this Deed, under the LPA or any other applicable law;

**"Regulations"** means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, as amended by the Financial Collateral Arrangements (No 2) Regulations 2003 (Amendment) Regulations 2009 (SI 2009/2462), and (ii) the Financial Markets and Insolvency (Settlement Finality and Financial Collateral Arrangements) (Amendment) Regulations 2010 (SI 2010/2993);

**"Rental Income"** means the aggregate gross amounts paid to, or receivable by, any Chargor, now or at any time after the date of this Deed, in connection with any Lease Document relating to each of any Chargor's Real Properties, or any similar arrangements, including but not limited to: rent, licence fees, apportionment of rent or licence fees, other sum for occupation or usage, sums under insurance for loss of rent or interest in rent, any collateral or guarantee in support of a tenant's payment or other obligations, other sums arising and due to any Chargor as landlord or lessor under the Lease Documents or amendment waiver surrender or replacement of any of them, including interest, costs and expenses, and any damages or compensation or settlement, and any other amounts payable by each tenant in respect of the relevant Real Property in terms of the Lease Document applicable to it;

**"Secured Liabilities"** means all liabilities, moneys and obligations, now or after the date of this Deed, due or incurred by the Chargors to the Shareholders under or in connection with each Loan Document, whether present or future obligations, whether actual or contingent, whether owed jointly or severally or in any other capacity whatsoever, in any manner and currency whatsoever, whether as principal or surety, together with all interest (including default interest) accruing on such liabilities, moneys, obligations, costs, charges and expenses incurred by the Shareholders and the Security Agent;

**"Secured Property"** means all of the Real Properties of any Chargor subject to (i) any Security created by or under this Deed, (ii) any supplemental Legal Mortgage dated on or after the date of this Deed, or (iii) any other Security;



**"Security"** means (i) a charge, including any fixed, floating, legal or equitable charge, (ii) a lien, (iii) a mortgage, including an assignment by way of security, (iv) a pledge, (v) any other security interest securing any obligation of any person, or (iv) any other agreement or arrangement having a similar effect;

**"Security Assets"** means all of the assets of whatever nature of any Chargor which are the subject of any Security created by or under this Deed or any supplemental Legal Mortgage or other Security in favour of the Security Agent;

**"Security Period"** means the period starting on the date of this Deed and ending on the date on which all of the Secured Liabilities are irrevocably discharged in full and no Shareholder has a commitment or liability, whether present or future, actual or contingent, under each Loan Document;

**"Senior Creditor"** means Equitix Proton Cancer Care LLP, a limited liability partnership established in England and Wales with number OC435951, whose registered office is at 3rd Floor, South Building, 200 Aldersgate Street, London EC1A 4HD;

**"Senior Security"** has the meaning given to such term in the Intercreditor Agreement;

**"Shareholders"** means:

- (a) Schroder UK Public Private Trust Plc;
- (b) The First Investor LLC;
- (c) Cruisen Ltd.;
- (d) CBIC Business Intermediary & Management Consultancy Fze; and
- (e) LF Equity Income Fund, each a **"Shareholder"**);

**"Shareholder Loan Agreement"** means the loan agreement dated 15 December 2021 and made between Rutherford Health PLC as borrower and the Shareholders (other than LF Equity Income Fund) as lenders (as amended and/or amended and restated from time to time);

**"Supplier"** means each of Ion Beam Applications S.A., Elekta Limited and Philips Medical Systems UK Limited and any other supplier party to a Supply Agreement;

**"Supply Agreements"** means the agreements for the supply of equipment made between any Chargor and a Supplier, and any other agreements for the supply of equipment designated as Supply Agreements by any Chargor;

**"Tax"** means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);

**"Valuation"** means any valuation of any Chargor's Real Property on terms acceptable to the Security Agent and the relevant Chargor by a reputable valuer acceptable to the Security Agent;

**"VAT"** means:

- (a) any value added tax imposed by the Value Added Tax Act 1994;
- (b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (c) any other tax of a similar nature, whether imposed in the United Kingdom or in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraphs (a) or (b) above, or imposed elsewhere.

## 1.2 Construction

In this Deed, unless a contrary indication appears:

- 1.2.1 any references to clauses and schedules shall be construed as a reference to the clauses and schedules of this Deed;
- 1.2.2 section, clause and schedule headings are for ease of reference only;
- 1.2.3 any reference to or any provisions of, "**this Deed**" or any other agreement, deed or instrument is a reference to this Deed or any other agreement, deed or instrument or provision as amended, novated, supplemented, extended or restated;
- 1.2.4 words importing the singular are to include the plural and vice versa;
- 1.2.5 any reference to a "**person**" shall be construed to include reference to any company, consortium or partnership, corporation, firm, government, individual, joint venture, other entity, state or agency of a state or any association, trust or unincorporated body of persons (whether or not a separate legal entity);
- 1.2.6 any reference to any Chargor, a Shareholder, the **Security Agent** or a **Receiver** or any other person includes any one or more of its assigns, transferees and successors in title (in the case of any Chargor, so far as any such is permitted);
- 1.2.7 the **Security Agent** or a **Receiver** (except for the references in Clause 17 (*Power of attorney*)), includes its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates;
- 1.2.8 any reference to a provision of law or regulation is a reference to that provision as amended, supplemented, re-enacted or replaced from time to time;
- 1.2.9 a "**regulation**" includes any instrument, official directive, order, other subordinate regulation request or guideline (whether or not having the force of law) regulation, or rule of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- 1.2.10 any reference to "**assets**" includes present and future properties, revenues and rights and benefits of every description;
- 1.2.11 any reference to "**disposal**" includes an assignment, declaration of trust, grant, lease, licence, sale, transfer, or other disposal, whether voluntary or involuntary, and "**dispose**" will be construed accordingly;
- 1.2.12 any reference to a time of day is a reference to London time;

- 1.2.13 any reference to "£", "GBP" and "sterling" denotes the lawful currency of the United Kingdom;
- 1.2.14 any reference to a Event of Default which is "**continuing**", is a Event of Default which has not been remedied or waived;
- 1.2.15 each mortgage, fixed charge and assignment contained in Clauses 4.1 (*Real Property*) to 4.9 (*Other contractual rights*) over each category of assets specified in those Clauses shall be read and construed separately of each other; and
- 1.2.16 where this Deed creates Security over any Security Asset which constitutes Financial Collateral, this Deed is intended to be a "**security financial collateral arrangement**" as defined in the Regulations.

### 1.3 **Third party rights**

- 1.3.1 The Security Agent, any Receiver or Delegate and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person principally in relation to rights and indemnities in Clause 13 (*Protection of the Security Agent and Receivers*), but no other person who is not a party to this Deed has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.
- 1.3.2 The Parties to this Deed and any Receiver or Delegate may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a Party to this Deed.

### 1.4 **Intercreditor Agreement and second ranking charges**

- 1.4.1 This Deed is in all respects subject to the Intercreditor Agreement and in the event of any inconsistency between the terms of this Deed and the Intercreditor Agreement, the terms of the Intercreditor Agreement shall prevail.
- 1.4.2 Where Security created under this Deed is expressed to be second ranking, or to take effect on a second-ranking basis, this is purely to give effect to the agreement made between the Shareholders and the Senior Creditor pursuant to the Intercreditor Agreement and does not constitute an agreement to subordinate such Security to any Security other than any Senior Security over those assets in respect of which that Security is expressed to be second ranking, on and subject to the terms of the Intercreditor Agreement; and, in the event that any such Senior Security is released and/or discharged before the expiry of the Security Period, such Security shall be first ranking Security.

### 1.5 **Effect as a deed**

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

## 1.6 **Conflict**

Each Legal Mortgage is supplemental to this Deed, and to the extent the provisions of this Deed conflict with those of any Legal Mortgage, the provisions of that Legal Mortgage shall prevail.

## **2 COVENANT TO PAY**

2.1 The Chargors covenant with the Security Agent that they will on demand pay and discharge the Secured Liabilities when due in accordance with the terms of each Loan Document (as applicable).

2.2 The Chargors shall pay interest at the Default Rate on the sums payable under this Deed from the date on which the liability was incurred to the date of actual payment, both before and after judgment.

## **3 NATURE OF SECURITY CREATED**

All of the Security created under this Deed:

3.1 is created as a continuing security to secure the payment and discharge of all of the Secured Liabilities;

3.2 is created over all present and future assets of the description in Clause 4 (*Creation of Security*) owned by any Chargor, except in the case of assets which are the subject of a legal mortgage under this Deed, and over any right or interest which any Chargor may otherwise have in such assets; and

3.3 is created with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

## **4 CREATION OF SECURITY**

### **4.1 Real Property**

Each Chargor:

4.1.1 charges to the Security Agent by way of second legal mortgage all Real Property including the Real Property listed in Schedule 2 (*Real Property charged by way of legal mortgage*);

4.1.2 charges to the Security Agent, to the extent not subject to the charge by way of legal mortgage in Clause 4.1.1, by way of second fixed charge all of its Real Property which it has now or which it may subsequently acquire;

4.1.3 charges to the Security Agent by second fixed charge the Rental Income and any guarantee or indemnity of the Rental Income relating to any Lease Document, to the extent not otherwise assigned under Clauses 4.9.2 and 4.9.3; and

4.1.4 assigns to the Security Agent absolutely, subject to the assignments granted pursuant to the Senior Security, not otherwise charged by way of legal mortgage under Clause 4.1.1, all of its rights and interests under or in respect of:

- (a) all present and future rights in each agreement, licence, contract, easement, option, guarantee, Security, warranty, covenant for title or other right or document relating to the use, disposal or acquisition of the property referred in this definition or other asset or right relating to all Real Property, including the Real Property listed in Schedule 2 (*Real Property charged by way of legal mortgage*);
- (b) all rights in relation to any Occupational Lease relating to the Real Property; and
- (c) any proceeds of sale of any Real Property, interest or right relating to them.

#### 4.2 **Equipment**

Each Chargor charges to the Security Agent by way of second fixed charge all Equipment not otherwise charged by way of legal mortgage under Clause 4.1 (*Real Property*).

#### 4.3 **Investments**

Each Chargor charges to the Security Agent by way of second fixed charge:

- 4.3.1 all Investments owned by it from time to time including those held for it by any nominee;
- 4.3.2 all allotments, accretions, offers, options, rights, moneys, property, bonuses, benefits and advantages, whether by way of conversion, exchange, bonus, redemption, preference, option rights, substitution or otherwise which at any time accrue to or are offered or arising from any Investment;
- 4.3.3 all Dividends; and
- 4.3.4 any proceeds of sale of each Investment or any right relating to it.

#### 4.4 **Intellectual Property Rights**

Each Chargor charges to the Security Agent by way of second fixed charge:

- 4.4.1 all Intellectual Property Rights.
- 4.4.2 any proceeds of sale or realisation of each Intellectual Property Right or any right relating to it;
- 4.4.3 any proceeds of any licence or right to use each Intellectual Property Right; and
- 4.4.4 all Security, guarantees, indemnities, options, agreements, rights, licences, warranties, agreement for use or other undertakings or covenants of title in respect of any Intellectual Property Right.

#### 4.5 **Goodwill**

Each Chargor charges to the Security Agent by way of second fixed charge its goodwill.

#### **4.6      Uncalled capital**

Each Chargor charges to the Security Agent by way of second fixed charge its uncalled capital.

#### **4.7      Authorisations**

Each Chargor charges to the Security Agent by way of second fixed charge the benefit of all Authorisations relating to any Security Asset.

#### **4.8      Insurances**

Each Chargor assigns to the Security Agent absolutely, subject to the assignments granted pursuant to the Senior Security, all its rights and interests under the Insurances.

#### **4.9      Other contractual rights**

Each Chargor assigns to the Security Agent absolutely, subject to the assignments granted pursuant to the Senior Security, all its rights and interests under or in respect of:

4.9.1      each Lease Document;

4.9.2      all Rental Income;

4.9.3      any guarantee or indemnity of Rental Income contained in or relating to any Lease Document; and

4.9.4      any Material Contract to which it is a party which is not otherwise effectively assigned or charged by way of fixed charge pursuant to this Clause 4.

#### **4.10     Floating charge over other assets**

4.10.1    Each Chargor charges to the Security Agent by way of second floating charge all of its present and future business, undertaking, assets, rights and revenues which are not effectively charged by way of legal mortgage, charged by way of fixed charge or assigned under this Clause 4, and any Chargor's shareholding in the Excluded Subsidiary.

4.10.2    Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by this Deed to the extent that each floating charge shall be a 'qualifying floating charge' within the meaning of that paragraph.

#### **4.11     Conditions to granting Security**

4.11.1    Where granting any Security is prohibited over any asset of a Chargor until, a consent or waiver is obtained or a condition is satisfied, such Chargor shall (to the extent permitted by the Leasehold Document in question) hold such asset or any proceeds of such asset on trust for the Security Agent.

4.11.2    Each Chargor shall use its reasonable endeavours to obtain such consent or waiver or satisfy such condition within 60 Business Days of the date of this Deed or, if acquired after the date of this Deed, within 60 Business Days of the date of acquisition and shall in each case keep the Security Agent informed of the progress. In respect of the Leasehold Documents, such Chargor shall use its

reasonable endeavours to obtain such consent or waiver or satisfy such condition within 6 months of the date of this Deed.

- 4.11.3 On the waiver or consent being obtained, or the condition being satisfied, the asset shall be charged by way of legal mortgage, charged by way of fixed charge, assigned, or charged by floating charge under this Clause 4, in each case to the Security Agent and the trust referred to in Clause 4.11.1 shall terminate. Such asset shall be deemed a Security Asset.

## **5 CONVERSION OF FLOATING CHARGE**

### **5.1 Automatic conversion**

The floating charge created by this Deed will convert automatically into a fixed charge over the Security Assets:

- 5.1.1 if the Security Agent receives notice of an intention to appoint an administrator to any Chargor;
- 5.1.2 if any steps are taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint, or an appointment is made of, a liquidator, provisional liquidator, administrator or Receiver over all or any part of any Chargor's assets;
- 5.1.3 if any Chargor creates or attempts to create Security over all or any of the Security Assets;
- 5.1.4 on the crystallisation of any other floating charge over any of the Security Assets;
- 5.1.5 if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process, or attempts to do so; and
- 5.1.6 in any other circumstances prescribed by law.

### **5.2 Conversion on notice**

The Security Agent may, by notice to the Chargors at any time during the Security Period, convert the floating charge created by this Deed into a fixed charge in respect of any Security Asset specified in that notice if an Event of Default is continuing, or if the Security Agent considers that Security Asset to be in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise to be in jeopardy. This Clause shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

### **5.3 Part A1 moratorium**

- 5.3.1 Subject to clause 5.3.1 below, the floating charge created by this deed may not be converted into a fixed charge solely by reason of obtaining a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986.

5.3.2 Clause 5.3.1 above does not apply to any floating charge referred to in section A52(4) of Part A1 of the Insolvency Act 1986.

## **6 REPRESENTATIONS AND WARRANTIES**

Each Chargor makes the representations and warranties set out in this Clause to the Security Agent on (i) the date of this Deed and (ii) the first Business Day of each calendar month commencing after the date of this Deed.

### **6.1 Status**

It is a limited liability company, duly incorporated and validly existing under English law. It has the power to own and grant Security over the Security Assets, and to carry on its business.

### **6.2 Binding obligations**

Its obligations in this Deed are, subject to the Legal Reservations, legal, valid, binding and enforceable.

### **6.3 Non-conflict with other obligations**

Granting of the Security in and under this Deed, and execution of this Deed and any other document under or in connection with it, will not conflict with each Chargors' constitutional documents, any law or regulation applicable to it or any other agreement to which each Chargor is party, nor will it create a default or termination under such agreement.

### **6.4 Power and authority**

It has the power to, and is authorised to, enter into, perform and deliver this Deed and the grant the Security under it.

There is no limit on its powers to borrow, grant Security or give guarantees or indemnities.

### **6.5 Authorisations**

Subject to the Legal Reservations and Perfection Requirements, all Authorisations required for each Chargor to enter into this Deed and create and perfect the Security purported to be granted by each Chargor under it, and to make this Deed admissible in evidence have been obtained and are in full force and effect.

### **6.6 Deduction of Tax**

It is not required to make any deduction or withholding on account of Tax from (i) any payment it may make under each Loan Document to the Shareholders or the Security Agent, or (ii) any Rental Income payable to each Chargor.

### **6.7 No filing or stamp taxes**

It is not necessary that this Deed be registered, filed, recorded, notarised or enrolled with any court or other authority or that any Tax or fees be paid on or in relation to this Deed, except registration of particulars of this Deed and any supplemental Legal Mortgage at Companies House under the Companies Act 2006 and payment of associated fees; and registration of this Deed at the Land Registry or Land Charges Registry in England and



Wales and payment of associated fees, which registrations, filings, Tax and fees will be made and paid promptly after the date of this Deed. It has made any disclosure required to be made by it to any relevant taxing authority in relation to stamp duty land tax.

**6.8 No default**

No Event of Default is continuing or is reasonably likely to result from entering into this Deed and granting the Security under it.

**6.9 Information**

All information supplied by each Chargor or on its behalf to the Shareholders or the Security Agent in connection with this Deed or any of the Real Property or any other Security Asset was true and accurate at the date provided.

**6.10 Valuation**

All information provided by it or on its behalf to any valuer for the purposes of each Valuation was true and accurate on the date provided. It has not omitted to provide any information to any valuer which, if disclosed, would adversely affect the Valuation.

**6.11 Title to Property**

6.11.1 Each Chargor is the legal and beneficial owner of the relevant Real Properties, free from Security (other than Permitted Security).

6.11.2 On and from the date of this Deed:

- (a) no breach of any law, regulation or covenant is outstanding which adversely affects or might reasonably be expected to adversely affect the use of any of each Chargor's Real Properties;
- (b) to the best of each Chargor's knowledge and belief and subject to matters as disclosed on the Land Registry title, there is no covenant, agreement, stipulation, reservation, condition, interest, right, easement or other matter whatsoever adversely affecting each Chargor's Real Properties;
- (c) to the best of each Chargor's knowledge and belief, nothing has arisen or has been created or is outstanding which would be an overriding interest, or an unregistered interest which overrides first registration or a registered disposition, over any of each Chargor's Real Properties;
- (d) all facilities necessary for the enjoyment and use of each Chargor's Real Property are available to it (including those necessary for the carrying on of its business);
- (e) each Chargor has not received any notice of any adverse claim by any person in respect of the ownership any of each Chargor's Real Properties or any interest in it which might reasonably be expected to be determined in favour of that person, nor has any acknowledgment been given to any such person in respect of any of each Chargor's Real Properties; and
- (f) to the best of each Chargor's knowledge and belief, each of each Chargor's Real Properties is held by such Chargor free from any lease or licence other than such

interests disclosed to the Shareholders or the Security Agent (or its legal advisers) by such Chargor (or their legal advisers) on the date of this Deed in writing.

#### **6.12 Ranking of Security**

Subject to the Legal Reservations and any Permitted Security, the Security created or purported to be created by or under this Deed constitutes a second priority security interest of the type described, over the Security Assets in Clause 4 (*Creation of Security*).

#### **6.13 Ownership**

The shares in the capital of each Chargor are fully paid and are not subject to any option to purchase or similar rights. The constitutional documents of each Chargor (other than Rutherford Health PLC) do not restrict or inhibit any transfer of its shares on creation or enforcement of the Security created by or under this Deed.

### **7 UNDERTAKINGS RELATING TO THE SECURITY ASSETS**

The undertakings in this Clause remain in force from the date of this Deed until the expiry of the Security Period.

#### **7.1 Disposals**

No Chargor shall enter into a single transaction or a series of transactions (whether related or not, and whether voluntary or involuntary), nor dispose of any Security Asset or part of any Security Asset, nor enter into an agreement to make any disposal, except, in each case, (i) a Permitted Disposal, (ii) a Permitted Transaction, (iii) a Permitted Acquisition, (iv) a Permitted Share Issue or (v) as permitted by the Security Agent (acting on instructions of the Shareholders).

#### **7.2 Negative pledge**

No Chargor shall create, purport to create or permit any Security over any Security Asset (other than Permitted Security).

#### **7.3 Preservation of Assets**

Each Chargor:

7.3.1 shall notify the Security Agent of any action commenced by a third party to seize, attach, charge, take possession of or sell any Security Asset which (to the best of its knowledge and belief) has been started or threatened and at its own cost, defend such proceedings;

7.3.2 shall not enter into any onerous obligation or restriction affecting any Security Asset;

7.3.3 in relation to any Secured Property, shall not:

- (a) exercise any of the powers conferred by sections 99 (*Lease of powers of mortgages and mortgage in possession*) and 100 (*Powers of mortgagor in possession to accept surrenders of leases*) of the LPA of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases;

- (b) make an application, consent to or acquiesce in the application by any third party, to the Land Registry to enter any matter on the register of title; and

7.3.4 shall take any Security in connection with its liability under this Deed from any guarantor of, or provider of Security for, any of the Secured Liabilities.

## **7.4 Notices of assignment and charge**

Each Chargor shall, serve the following notices substantially in the forms set out in the relevant Schedule referred to in this Clause, and deliver to the Security Agent a copy of each notice and (except in relation to the notices referred to in clause 7.4.3) shall use reasonable endeavours to procure that the recipient of such notice acknowledges that notice in writing substantially in the form set out in the relevant Schedule referred to in this Clause:

- 7.4.1 on the occurrence of an Event of Default (but only to the extent the Senior Security has been released), in respect of Occupational Leases, the notice of assignment, set out in Part 1 of Schedule 5 (*Forms of letter to and from Occupational Tenants*) on each tenant of each Secured Property, and the acknowledgment set out in Part 2 of Schedule 5 (*Forms of letter to and from Occupational Tenants*);
- 7.4.2 promptly after the execution of this Deed, in respect of each Operating Account, the notice to the Account Bank of the floating charge set out in Part 3 of Schedule 5 (*Forms of letter to and from Account Bank regarding the Operating Account*) and the acknowledgment set out in Part 4 of Schedule 5 (*Forms of letter to and from Account Bank regarding Operating Account*) as applicable;
- 7.4.3 promptly after the Senior Security has been released, in respect of Insurances, notice of the assignment to each insurer set out in Schedule 6 (*Forms of letter and acknowledgment for Insurances*); and
- 7.4.4 on the occurrence of an Event of Default (but only to the extent the Senior Security has been released), in respect of assigned contracts, the notice of assignment to the counterparties as set out in Schedule 7 (*Forms of letter and acknowledgment for agreements being assigned agreements*) and the acknowledgment set out in Schedule 7 (*Forms of letter and acknowledgment for agreements being assigned agreements*).

## **7.5 Exercise of rights**

Subject to the terms of any notice or acknowledgment given or received under Clause 7.4 (*Notices of assignment and charge*), while no Event of Default is continuing, each Chargor may exercise its rights in respect of the agreements assigned pursuant to Clauses 4.8 (*Insurances*) and 4.9 (*Other contractual rights*) and deal with the relevant counterparties in respect of those agreements.

# **8 UNDERTAKINGS RELATING TO REAL PROPERTIES**

## **8.1 Maintenance and repair**

Each Chargor shall keep all buildings, installations, structures, plant, machinery, fixtures and fittings or any other erections (whether fully built or in the course of construction) on its

Real Properties in good and substantial repair and condition and, as to enable them to be let in accordance with all applicable laws and regulations.

## 8.2 **Insurances**

8.2.1 Each Chargor must ensure that at all times insurances are maintained in full force and effect on and in relation to its business and assets which insure it with such insurance companies or underwriters and to such extent and for such risks as is usual for prudent companies carrying on the same or substantially similar business to the Chargors (or as otherwise notified by the Security Agent (acting on instructions of the Shareholders) from time to time), except where the relevant landlord is required to insure a relevant Leasehold Property under the terms of the relevant Leasehold Document.

8.2.2 Each Chargor must promptly notify the Security Agent of:

- (a) the proposed terms of any future renewal of any of its insurance policies if such proposed terms are materially different to the terms of such insurances on the date of this Deed;
- (b) any amendment, supplement, extension, termination, avoidance or cancellation of any of its insurance policies made or, to its knowledge, threatened or pending;
- (c) any claim, and any actual or threatened refusal of any claim, under any of its insurance policies; or
- (d) any event or circumstance which has led or may lead to a breach by a Chargor of any terms of this Clause.

8.2.3 Each Chargor must:

- (a) comply with the terms of its insurance policies;
- (b) not do or permit anything to be done which may make void or voidable any of its insurance policies; and
- (c) comply with all reasonable risk improvement requirements of its insurers.

8.2.4 Each Chargor shall pay each premium or other monies for the Insurances promptly and in any event prior to the commencement of the period of insurance for which that premium is payable. Each Chargor shall do, and shall procure to be done, all other things necessary so as to keep each of the Insurances in force. The Security Agent may, at the expense of such Chargor effect any insurance and generally do such things and take such other action as the Security Agent (acting on the instructions of the Shareholders) may reasonably consider necessary or desirable to prevent or remedy any breach the Insurances as Clause 8.2 (*Insurances*).

8.2.5 Each Chargor shall apply moneys received under any Insurances either in making good the loss or damage to the Leasehold Property by replacing, restoring or reinstating that Leasehold Property or those Leasehold Properties (and any deficiency being made good by such Chargor) or towards discharge of the Secured Liabilities and such monies received by the Chargor shall be held on trust for the Security Agent accordingly. The proceeds of any loss of rent insurance will be treated as Rental Income and applied in such manner as the Security Agent requires as if it were Rental Income received over the period of the loss of

rent. Moneys received under liability policies held by a Chargor which are required by such Chargor to satisfy established liabilities of such Chargor to third parties must be used to satisfy these liabilities.

### **8.3 Outgoings**

Each Chargor shall, in accordance with its relevant Leasehold Document where relevant, or otherwise pay all rents, rent charges, rates, Taxes, charges, assessments, impositions and other outgoings whatsoever charged, assessed, levied or imposed on any of such Chargor's Real Property or upon the owner or occupier of such Real Property as payable in respect of such Real Property.

### **8.4 Covenants and stipulations**

Each Chargor shall perform, observe its obligations and exercise its rights and comply in all respects with any covenant, restriction, stipulation, provision, regulation, condition and agreement, obligation (restrictive or otherwise) at any time affecting any of its Real Properties or the use or enjoyment of any of them. Each Chargor shall not amend, supplement, waive, surrender or release any such term at any time affecting any of its Real Properties without the prior written consent of the Security Agent (acting on instructions of the Shareholders). Each Chargor shall register the Security created by this Deed and any supplemental Legal Mortgage at the Land Registry or the Land Charges Register for England and Wales as appropriate. Each Chargor shall comply with all laws from time to time, and approvals, licences or consent relating to such Chargor's Real Properties and its use or enjoyment of them.

### **8.5 Investigation of title**

Each Chargor shall grant the Security Agent and its advisers on request, all facilities within its power, to carry out investigations of title to any of its Real Properties and to make such enquiries in relation to any part of any of its Real Properties as a prudent mortgagee might carry out.

### **8.6 Alterations**

Unless it has the prior written consent of the Security Agent, each Chargor shall not, demolish, pull down, remove or permit or to be demolished, pulled down or removed any building, installation or structure for the time being or any of such Chargor's Leasehold Properties or parts of any of them or except where replacing or renewing the same any fixtures or erect or make or permit to be erected or made at any of such Chargor's Leasehold Properties any building, installation, structure or material alteration or a change of use or otherwise commit any waste upon or destroy or injure in any manner or by any means reduce or permit to be reduced the value of such of any of such Chargor's Leasehold Properties.

### **8.7 Development**

Each Chargor shall not make or allow to be made any application for planning permission in respect of any part of its Real Property without the Security Agent's consent. During the Security Period, where any part of such Chargor's Real Properties is intended to be developed or is being developed, such Chargor shall proceed diligently with such development in all respects to the satisfaction of the Security Agent and any competent

authority in compliance with the planning permissions, byelaws and consents and shall submit all plans and specifications for the development to the Security Agent for approval. It shall not amend such plans and specifications without the Security Agent's approval not to be unreasonably withheld or delayed.

## **8.8 Planning**

Each Chargor shall comply in all respects with all planning laws, permissions, agreements and conditions to which any of its Real Properties may be subject.

## **8.9 Right of entry and remedy**

8.9.1 Subject to prior written notice from the Security Agent to each relevant Chargor of no less than 10 Business Days (except in cases of emergency, where as much notice as practicable shall be given), each Chargor shall permit the Security Agent, its agents, representatives, employees and contractors to enter any part of any of its Real Properties at all reasonable times to view to the state of repair and condition of each Real Property, and shall permit the Security Agent to comply with or (only if the Security Agent reasonably considers necessary) object to any notice served on each Chargor in respect of any of its Real Properties and take any action that the Security Agent thinks fit to prevent or remedy any breach of any such term or to comply with or object to any such notice.

8.9.2 The Security Agent shall not be obliged to account as mortgagee in possession as a result of any action taken under this Clause 8.

## **8.10 Notices**

Within 10 Business Days of the receipt, each Chargor shall deliver a copy to the Security Agent of any application, requirement, order, notice direction, designation, resolution or proposal served or given by any public, local, planning or any other authority or any landlord with respect to any of its Real Properties (or any part of them). Each Chargor shall promptly comply with the terms specified in such document and in any event, the Chargor shall inform the Security Agent of the steps it or any other person has taken or it or any other person proposes to take to comply with the specified requirements.

## **8.11 Leases**

8.11.1 Each Chargor shall promptly:

- (a) exercise its rights, comply with its obligations, perform and observe all covenants and conditions under each Leasehold Document;
- (b) use all reasonable endeavours to procure that each tenant performs its obligations under each Leasehold Document;
- (c) not amend, supplement, extend, waive, surrender or release any provision of any Leasehold Document not exercise any right to break, determine or extend any Leasehold Document, grant any licence or right to use or occupy any part of its Real Property nor enter into any Leasehold Document without the prior written consent of the Security Agent which consent shall not be unreasonably withheld or delayed;

- (d) not commence any forfeiture proceedings in respect of any Leasehold Document (other than where the relevant Chargor's tenant has failed to pay an amount due or is insolvent);
- (e) collect or all Rental Income and deposit it in the relevant Operating Account;
- (f) not agree to any change of use or rent review under any Leasehold Document;
- (g) not consent to any sublease or assignment of any tenant's interest under any Leasehold Document;
- (h) not serve any notice on any former tenant under any Leasehold Document (or on any guarantor of that former tenant) which would entitle it to a new lease or tenancy.

8.11.2 Each Chargor shall provide the Security Agent with a copy of each Leasehold Document and any amendment, supplement, extension or variation or waiver of any of them and all the rent review documentation in respect of each Leasehold Document promptly upon execution of such documentation.

#### 8.11.3 Headleases

- (a) Each Chargor shall exercise its rights, comply with its obligations, perform and observe all covenants and conditions under each headlease to which it is a party; use all reasonable endeavours to procure that each landlord performs all of its obligations under such headlease; and if deemed necessary by the Security Agent, apply for relief against forfeiture of any headlease over any of the Chargor's Real Property to which it is a party.
- (b) Each Chargor shall not amend, supplement, extend, waive, surrender or release any provision of any headlease to which it is a party, exercise any right to break, determine or extend any headlease; agree to any rent review in respect of any headlease; and shall not do or allow to be done any act as a result of which any headlease may become liable to forfeiture or otherwise be terminated.

### 8.12 Managing Agents

Each Chargor may only appoint a managing agent or terminate the appointment of a managing agent to any of its Real Properties with the prior consent of the Security Agent and on terms acceptable to the Security Agent. Each Chargor shall procure that a managing agent of any of its Real Property acknowledges to the Security Agent any notice of the Security created by this Deed and pays all Rental Income received by it into the relevant Operating Account without any withholding, set-off or counterclaim.

### 8.13 Environmental matters

Each Chargor shall during the Security Period, comply and procure that any third party complies with all Environmental Law in relation to each of its Real Properties and shall obtain, maintain and procure compliance with all Environmental Permits applicable to it or

to any of its Real Properties. Each Chargor shall implement procedures to monitor compliance with, and prevent liability arising under any Environmental Law applicable to it or any of its Real Properties.

Each Chargor shall, promptly upon becoming aware of the same, notify the Security Agent in writing of any Environmental Claim started or threatened against it or any of its Real Properties, any circumstances reasonably likely to result in an Environmental Claim being commenced or threatened against it or any of its Real Properties or any suspension, revocation or notification of any Environmental Permit in each case relating to any of its Real Properties.

Each Chargor shall indemnify the Shareholders and the Security Agent, Receiver and any Delegate against any loss (including consequential loss) or liability, costs and expenses with VAT in addition, which

- 8.13.1 it incurs as a result of any actual or alleged breach of any Environmental Law by any person in respect of any of its Real Properties;
- 8.13.2 would not have arisen if neither this Deed nor the Loan Documents had not been entered into;
- 8.13.3 may arise from any person making an Environmental Claim against such Chargor, Security Agent, Receiver or any of such Chargor's Real Properties or any business operations or activities on any of them;
- 8.13.4 may arise from any liability or potential liability of the Security Agent, any Receiver or Delegate to remedy, clean-up or make good any breach, contravention or violation of any Environmental law by such Chargor or any harm actual as potential, to the environment caused directly or indirectly by any release, emission or discharge of any harmful or hazardous material from, in or to or on any of such Chargor's Real Properties; and
- 8.13.5 may arise where such Chargor is in breach of this Clause 8.13 (*Environmental matters*);

unless it is caused by the Security Agent's gross negligence or wilful misconduct.

## **9 INVESTMENTS: UNDERTAKINGS, DIVIDENDS AND VOTING RIGHTS ETC**

- 9.1.1 Each Chargor shall:
  - (a) promptly pay all calls, instalments and other payments which may be made or become due in respect of the Investment; and
  - (b) promptly comply with any notice served on it, under the Companies Act 2006 or pursuant to its articles of association or any other constitutional document, in respect of or in connection with the Investments or any of them, and will promptly provide to the Security Agent a copy of any material notice.
- 9.1.2 Each Chargor shall promptly, on the request of the Security Agent, provide to the Security Agent a copy of all other notices, reports, accounts and circulars in respect of or in connection with any of the Investments.



- 9.1.3 Each Chargor shall, if any Investments are in, or are converted into, uncertificated form, promptly notify the Security Agent, and act on any instructions given by the Security Agent, and give such directions as it may require to protect and preserve the Security Agent's Security in respect of those Investments; and transfer those Investments which are or become uncertificated to an escrow account, in respect of which it has named as escrow agent the Security Agent or its any nominee or agent, notified to each Chargor or any other person approved in writing by the Security Agent.

## **9.2 Before an Event of Default/Default**

Until an Event of Default occurs, each Chargor having granted a charge over Investments under this Deed, may receive and retain Dividends and exercise all voting and other rights and powers attached to the Investments, but, only in a manner consistent with this Deed and not to prejudice the value of or the ability of the Security Agent to enforce the Security or other rights created under this Deed.

## **9.3 After an Event of Default**

Subject to the terms of the Intercreditor Agreement, after an Event of Default occurs:

- 9.3.1 each Chargor shall promptly pay over to the Security Agent all Dividends which it may receive, and apply such moneys according to Clause 10.4 (*Application of moneys*), and exercise all voting and other rights and powers attached to the Investments in any manner which the Security Agent may direct.
- 9.3.2 in respect of Investments of which the Security Agent is the legal owner, the Security Agent may receive and retain all Dividends and apply them in any manner permitted by this Deed, and may exercise all such voting and other rights and powers in such manner as it determines.

# **10 ENFORCEMENT**

## **10.1 When Security becomes enforceable**

The Security created by this Deed shall become immediately enforceable (i) on the occurrence of an Event of Default, and (ii) if any Chargor so requests.

## **10.2 Powers on enforcement**

At any time after the Security created by this Deed has become enforceable, the Security Agent may (without prejudice to any other of its rights and remedies and without notice to any Chargor), subject to the terms of the Intercreditor Agreement, do all or any of the following:

- 10.2.1 exercise all the powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 (*Regulation of exercise of power of sale*) or 109(1) (*Appointment, powers, remuneration and duties of receiver*) of the LPA;
- 10.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Security Asset, without the restrictions imposed by sections 99 (*Leasing powers of*

*mortgagor and mortgagee in possession*) and 100 (*Powers of mortgagor and mortgagee in possession to accept surrenders of leases*) of the LPA;

- 10.2.3 to the extent that any Security Asset constitutes Financial Collateral, appropriate it and transfer the title to it to the Security Agent where not already transferred, subject to paragraphs (1) and (2) of Regulation 18 (*Duty to value collateral and account for any difference in value on appropriation*) of the Regulations;
- 10.2.4 value any Security Asset which constitutes Financial Collateral, at the time of appropriation as referred to in the Regulations, as the market price of the relevant Security Asset, as determined by the Security Agent by reference to such method or source, (including an independent valuation), as the Security Agent may determine, and which shall constitute a 'commercially reasonable manner' for the purposes of the Regulations;
- 10.2.5 subject to Clause 11.1 (*Method of appointment and removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Security Assets; and
- 10.2.6 appoint an administrator to any Chargor.

### 10.3 **Disposal of the Security Assets**

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

### 10.4 **Application of moneys**

- 10.4.1 The Security Agent or any Receiver shall apply moneys received by each of them under this Deed after the Security created under this Deed has become enforceable in the following order:
  - (a) **first**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid costs and expenses of the Security Agent and any Receiver and any Delegate under this Deed or which are incidental to any Receiver's appointment, together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;
  - (b) **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Shareholders, the Security Agent and any Receiver;
  - (c) **thirdly**, in or towards the discharge of all liabilities having priority to the Secured Liabilities;
  - (d) **fourthly**, in or towards the discharge of the Secured Liabilities; and
  - (e) **fifthly**, in the payment of any surplus to the Chargors or other person entitled to it,

and section 109(8) (*Appointment, powers, remuneration and duties of receiver*) of the LPA shall not apply.

10.4.2 Clause 10.4.1 will override any appropriation made by the Chargors.

## **11 APPOINTMENT AND POWERS OF RECEIVERS**

### **11.1 Method of appointment and removal**

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

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

### **11.2 Powers of Receiver**

Every Receiver shall have all the powers:

11.2.1 of the Security Agent under this Deed;

11.2.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA;

11.2.3 which are specified in Schedule 1 (*Powers of Administrator or Administrative Receiver*) of the Insolvency Act 1986 in relation to, and to the extent applicable to, the Security Assets or any of them (whether or not the Receiver is an administrative receiver within the meaning of the Insolvency Act 1986) together with the additional powers set out in Schedule 4 (*Additional powers of Receiver*);

11.2.4 in relation to any Security Asset, which a Receiver would have if the Receiver were its only absolute beneficial owner; and

11.2.5 to use the name of each Chargor in relation to any of its powers or actions under this Deed.

### **11.3 Joint or several**

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

### **11.4 Receiver as agent**

Every Receiver shall be the agent of the Chargors which shall be solely responsible for the Receiver's acts and defaults and for the payment of remuneration to the Receiver.

### **11.5 Receiver's remuneration**

Every Receiver shall be entitled to remuneration for services at a rate to be fixed by agreement between the Receiver and the Security Agent and the maximum rate specified in section 109(6) (*Appointment, powers, remuneration and duties of receiver*) of the LPA shall not apply.

## **12 PROTECTION OF PURCHASERS**

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

- 12.1.1 to see or enquire whether the right of the Security Agent or any Receiver to exercise any of the powers conferred by this Deed has arisen or not;
- 12.1.2 with the propriety of the exercise or purported exercise of those powers; or
- 12.1.3 with the application of any moneys paid to the Security Agent, to any Receiver or to any other person.

## **13 PROTECTION OF THE SECURITY AGENT AND RECEIVERS**

### **13.1 Exclusion of liability**

Neither the Security Agent, any Receiver or Delegate, nor any of their respective officers or employees shall have any responsibility or liability:

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

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

### **13.2 General indemnity**

- 13.2.1 Each Chargor shall indemnify the Security Agent, any Receiver and any Delegate and their respective officers and employees against all actions, proceedings, demands, claims, costs, expenses, loss and other liabilities together with VAT in addition incurred by them in respect of all or any of the following:

- (a) any act or omission by any of them in relation to all or any of the Security Assets, including, but not limited to, any act or omission by any of them on the directions of any Chargor in relation to any Investment which is a Security Asset;
- (b) any payment relating to or in respect of all or any of the Security Assets which becomes payable at any time by any of them;
- (c) any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed or any Security created under it;
- (d) carrying out or purporting to carry out any of the rights, powers, authority and discretions conferred on them by, or permitted under, this Deed; and
- (e) any breach by any Chargor of any of its undertakings or other obligations to the Security Agent, any Receiver or Delegate,

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

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

### **13.3 Indemnity out of the Security Assets**

The Security Agent, any Receiver or Delegate, and their respective officers and employees shall be entitled to be indemnified out of the Security Assets or any part of them in respect of the indemnities referred to in Clause 13.2 (*General indemnity*) and may retain and use monies received by it under this Deed towards payment of any sums under those indemnities.

## **14 COSTS, EXPENSES AND FEES**

### **14.1 Amendment costs**

If any Chargor requests an amendment, waiver or consent under this Deed, it shall, within 20 Business Days of demand, reimburse the Security Agent for the amount of all costs and expenses (including legal fees and VAT in addition) reasonably incurred by it, any Receiver or Delegate in responding to, dealing with such request and any documentation required, whether or not the Security Agent agrees to such request.

### **14.2 Valuations**

14.2.1 The Security Agent may request a Valuation at any time.

14.2.2 The relevant Chargor shall promptly, and no later than 20 Business Days of demand, pay to the Security Agent the costs of:

- (a) a Valuation obtained by the Security Agent in connection with the compulsory purchase of all or part of any of such Chargor's Real Properties; and

- (b) a Valuation obtained by the Security Agent at any time when an Event of Default is continuing.

14.2.3 Each Chargor must supply to the Security Agent a copy of any Valuation it obtains, promptly upon obtaining it.

14.2.4 Any Valuation not referred to in paragraph 14.3.2 above will be at the cost of the Security Agent.

#### **14.3 Enforcement and preservation costs**

Each Chargor shall, within three Business Days of demand, pay to the Security Agent, Receiver and Delegate the amount of all costs and expenses (including legal fees and VAT in addition) incurred by it in connection with the enforcement of, or the preservation of any rights under each Loan Document and any Security created under them and with any proceedings instituted by or against it as a consequence of it entering into each Loan Document and Security created under it, or enforcing those rights.

### **15 PRESERVATION OF SECURITY**

#### **15.1 Reinstatement**

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

15.1.1 the liabilities of each Chargor and the Security created by this Deed shall continue as if the payment, discharge, avoidance or reduction had not occurred; and

15.1.2 the Security Agent shall be entitled to recover the value or amount of that Security or payment from any Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

#### **15.2 Waiver of defences**

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

15.2.1 any time, waiver or consent granted to, or composition with, any Chargor or other person;

15.2.2 the release of any Chargor or any other person under the terms of any composition or arrangement with any person;

15.2.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Chargor 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;

- 15.2.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor or any other person;
- 15.2.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any document or Security, including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under the Lease, any other document or Security;
- 15.2.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Loan Document or any other document; or
- 15.2.7 any insolvency, liquidation, administration or similar proceedings.

**15.3 Immediate recourse**

Each Chargor waives any right it may have of first requiring any the Security Agent, any Receiver or Delegate (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 any Chargor under this Deed.

**15.4 Appropriations**

During the Security Period, the Security Agent, Receiver or Delegate may refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, and shall hold in an interest-bearing suspense account any moneys received from any Chargor or on account of the Secured Liabilities. The Security Agent may apply and enforce such moneys Security or rights as it thinks fit, subject to Clause 10.4 (*Application of moneys*). The Chargors shall not be entitled to such moneys, Security or rights.

**15.5 Deferral of rights**

During the Security Period no Chargor shall exercise any right of set-off, nor take the benefit of any rights of the Security Agent under the Lease, guarantee or other Security in its favour whether by subrogation or any other manner. If any Chargor receives any benefit or sum in relation to such rights it shall hold that benefit or sum on trust for the Security Agent. It shall promptly pay or transfer such benefit or sum to the Security Agent as it may direct for application in accordance with this Deed and the Lease.

**15.6 Additional Security**

This Deed is in addition to, is not in any way prejudiced by and shall not merge with any contractual right or remedy or other Security now or in the future held by or available to the Security Agent, Receiver or Delegate.

**15.7 New accounts**

On receiving any notice or other information that a Chargor or any other party has granted Security or otherwise disposed of the Security Assets or any of them or part of, or interest in any of them, or on the date it is deemed to receive such notice or information, the Security Agent may open a new account or accounts in the name of such Chargor, without adversely affecting any right of the Security Agent to combine accounts. If the Security Agent does

not open any new account immediately on receipt of such notice or information, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to receive such notice or information. No monies paid into or credited to any such new account shall be appropriated to or discharge any sums due to the Security Agent or any other account. From that time, all payments made by such Chargor to the Security Agent shall be credited to such new account and shall not operate to reduce or discharge the Secured Liabilities.

## **16 FURTHER ASSURANCE**

### **16.1 Application to Land Registrar**

The relevant Chargor shall apply to the Land Registry in Form RX1 and consent to the registration against the registered titles specified in Schedule 2 (*Real Property charged by way of legal mortgage*) of a restriction in the following terms:

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

Where such legal mortgage is dependant on a consent or waiver is obtained or a condition is satisfied, such Chargor shall apply to the Land Registry promptly on receipt of the relevant condition or waiver, or satisfaction of such condition.

### **16.2 Further action**

Each Chargor shall, at its own expense, promptly take whatever action and sign or execute any further documents which the Security Agent may require to:

- 16.2.1 give effect to the requirements of this Deed;
- 16.2.2 create, protect, preserve and perfect the Security intended to be created by or under this Deed;
- 16.2.3 protect and preserve the ranking of the Security intended to be created by or under this Deed; and
- 16.2.4 facilitate the realisation of all or any of the Security Assets, or the exercise of any rights, powers and discretions by the Security Agent, any Receiver, any Delegate, any administrator or any, agent or employee in connection with all or any of the Security Assets, including but not limited to executing and delivering all documentation necessary to transfer legal title to any Security Asset to the Security Agent, its nominee or any third party;,,

and any such document may disapply section 93 (*Restriction on consolidation of mortgages*) of the LPA.

### **16.3 Future Property**

If a Chargor acquires any Real Property after the date of this Deed, it must:



- 16.3.1 notify the Security Agent immediately in writing;
- 16.3.2 immediately on request by the Security Agent and at its own expense, execute and deliver to the Security Agent a legal mortgage substantially in the form set out in Schedule 8 (*Form of Legal Mortgage*);
- 16.3.3 if the title to that Real Property is registered at the Land Registry, or required to be so registered, make an application to the Land Registry for a restriction against the registered titles in the terms set out in Clause 16.1 (*Application of Land Registrar*); and
- 16.3.4 if applicable, ensure that this Deed is correctly noted in the Register of Title against that title at the Land Registry.

If the consent of the landlord in whom the reversion of a lease is vested is required for such Chargor to execute a legal mortgage over it, such Chargor will not be required to perform that obligation until it has obtained the landlord's consent. Such Chargor shall use its reasonable endeavours to obtain the landlord's consent. Clause 4.1.4 shall apply to such Real Property as if set out here in full.

#### 16.4 **Deposit of documents**

Each Chargor shall promptly, on the date of this Deed and during the Security Period, and if the Security Agent so requests, deposit with the Security Agent:

- 16.4.1 all deeds, certificates and other documents of or evidencing title for the Security Assets;
- 16.4.2 signed undated transfers of the Investments charged under Clause 4.3 (*Investments*), completed in blank pre-stamped; and
- 16.4.3 any other documents which the Security Agent may from time to time require for perfecting its title, or the title of any purchaser,

in each case only to the extent such documents have not been deposited with the Senior Creditor (or are not required to be so deposited pursuant to the terms of the Senior Security).

#### 16.5 **Law of Property (Miscellaneous Provisions) Act 1994**

The covenant set out in section 2(1) (b) (*Right to dispose and further assurance*) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to the provisions set out in this Clause.

### 17 **POWER OF ATTORNEY**

- 17.1 Each Chargor by way of security, irrevocably and severally, appoints each of the Security Agent, any Receiver, and any of its Delegates or sub-delegates, or other person nominated in writing by, an officer of the Security Agent or Receiver jointly and severally as its attorney, in the name of such Chargor, on its behalf and in such manner as the attorney may in its or his absolute discretion think fit (after the Security created by this Deed has become enforceable) to take any action, sign or execute any documents which such Chargor is obliged to take, sign or execute under with this Deed.

- 17.2 Each Chargor ratifies and confirms, and agrees to ratify and confirm, all such actions taken and documents signed or executed or purported to be done by any attorney under its appointment under this Deed.

## **18 CURRENCY**

Sterling is the currency of account and payment for any sum due from Rutherford Estates Limited under the Lease. For the purpose of, or pending the discharge of, any of the Secured Liabilities the Security Agent may convert any moneys received or recovered by it from one currency to another, at a market rate of exchange. The obligations of each Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

## **19 SET-OFF**

- 19.1 The Security Agent may, apply any credit balance, whether or not then due and in whatever currency, towards satisfaction of the Secured Liabilities or any part of them.
- 19.2 The Security Agent may convert or translate all or any part of such credit balance to another currency applying a market rate of exchange in its usual course of business for the purpose of the set-off, when exercising rights under this Clause or under general law.
- 19.3 The Security Agent is not obliged to exercise any of its rights under this Clause, which shall be without prejudice and in addition to any rights under general law. *Rights under general law* means any right of set-off, combination or consolidation of accounts, lien, similar right which the Security Agent may have under any applicable law.

## **20 NOTICES**

- 20.1 Any communication to be made under or in connection with this Deed shall be made in writing by letter. The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

- 20.1.1 in the case of the Chargors:

Address: Suite 4 Penn House, 9-10 Broad Street, Hereford, United Kingdom, HR4 9AP

FAO: Mike Moran; and

- 20.1.2 in the case of the Security Agent:

Address: 55 Ludgate Hill, Level 1 West, London EC4M 7JW, United Kingdom

Telephone: +44 (0)20 3597 2940

Email: dcm@glas.agency

FAO: Transaction Management Group - Project Bonsai

or any substitute address or department or officer as the Party may notify the other in writing by not less than five Business Days' notice. Promptly upon changing its address or fax number, each Party shall notify the other Party.

- 20.2 Any communication or document made or delivered by one Party to another under or in connection with this Deed will only be effective when it has been left at the relevant address or two Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address, and, if a particular department or officer is specified as part of its address details provided under this Clause if addressed to that department or officer.
- 20.3 Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by it and then only if it is expressly marked for the attention of the department or officer of the Security Agent referred to in this Clause.
- 20.4 Any communication or document which becomes effective, in accordance with this Clause, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

## **21 CALCULATIONS AND CERTIFICATES**

### **21.1 Accounts**

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Security Agent are *prima facie* evidence of the matters to which they relate.

### **21.2 Certificates and Determinations**

Any certification or determination by the Security Agent of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

### **21.3 Day count convention**

Any interest, commission or fee accruing under this Deed will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days.

## **22 PARTIAL INVALIDITY**

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

## **23 REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm any provision of this Deed. No election to affirm this Deed by the Security Agent shall be effective unless it is 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 this Deed are cumulative and not exclusive of any rights or remedies provided by law.

## **24 DISCHARGE OF SECURITY**

At the end of the Security Period, the Security Agent shall, or shall procure that its appointees will, at the request and cost of the Chargors:

- 24.1 release the Security Assets or any part of them from the Security created by or under this Deed; and
- 24.2 re-assign to the Chargors those Security Assets that have been assigned to the Security Agent by or under this Deed,

and take whatever action is necessary to release the Security Assets from the Security created by or under this Deed, including returning all deeds and documents of title held by the Security Agent in relation to this Deed and executing and delivering such further deeds and documents as the Chargors may reasonably require to give effect this Clause.

Section 93 (*Restriction on consolidation of mortgages*) of the LPA shall not apply to this Deed.

## **25 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.

## **26 GOVERNING LAW AND JURISDICTION**

- 26.1 This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.
- 26.2 The courts of England have exclusive jurisdiction to decide 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 the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Deed) (a "**Dispute**").
- 26.3 The Parties agree that the courts of England are the most appropriate and convenient courts to decide Disputes and accordingly no Party will argue to the contrary.

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



**SCHEDULE 1****The Chargors**

<b>Company name</b>	<b>Place of incorporation</b>	<b>Registered number</b>	<b>Registered Office</b>
Rutherford Health PLC	England and Wales	09420705	Suite 4 Penn House, 9-10 Broad Street, Hereford, United Kingdom, HR4 9AP
Rutherford Cancer Care Limited	England and Wales	10680302	Suite 4 Penn House, 9-10 Broad Street, Hereford, United Kingdom, HR4 9AP
Rutherford Estates Limited	England and Wales	10676819	Suite 4 Penn House, 9-10 Broad Street, Hereford, United Kingdom, HR4 9AP
Rutherford Innovations Limited	England and Wales	10676791	Suite 4 Penn House, 9-10 Broad Street, Hereford, United Kingdom, HR4 9AP
Rutherford Infrastructures Limited	England and Wales	11749069	Suite 4 Penn House, 9-10 Broad Street, Hereford, United Kingdom, HR4 9AP
Proton Partners International Limited	England and Wales	12084009	Suite 4 Penn House, 9-10 Broad Street, Hereford, United Kingdom, HR4 9AP
Rutherford Estates Management Limited	England and Wales	13166007	Suite 4 Penn House, 9-10 Broad Street, Hereford, United Kingdom, HR4 9AP
Rutherford Diagnostics Limited	England and Wales	10844984	Suite 4 Penn House, 9-10 Broad Street, Hereford, United Kingdom, HR4 9AP

## **SCHEDULE 2**

### **Real Property charged by way of legal mortgage**

#### **Registered Land**

<b>Description address</b>	<b>Title number</b>	<b>Chargor</b>
The leasehold property being Northumberland Cancer Centre, the land on the east side of Thornley Terrace, Bedlington, Northumberland NE22 7FD	ND185296	Rutherford Estates Limited
The leasehold property known as The Rutherford Cancer Centre, 2 Mason Street Edge Hill, Liverpool L7 SEW	MS651870	Rutherford Estates Limited
The leasehold property known as Plots 3 and 4, Thames Valley Science Park, Shinfield, Reading,	BK498627	Rutherford Estates Limited

**SCHEDULE 3**  
**Investments**

<b>Chargor</b>	<b>Shares</b>
Rutherford Health PLC	1 ordinary share of £1.00 in Rutherford Cancer Care Limited
Rutherford Health PLC	1 ordinary share of £1.00 in Rutherford Diagnostics Limited
Rutherford Health PLC	1 ordinary share of £1.00 in Rutherford Estates Limited
Rutherford Health PLC	1 ordinary share of £1.00 in Rutherford Estates Management Limited
Rutherford Health PLC	1 ordinary share of £1.00 in Rutherford Infrastructures Limited
Rutherford Health PLC	1 ordinary share of £1.00 in Rutherford Innovations Limited
Rutherford Health PLC	1 ordinary share of £1.00 in Proton Partners International Limited



## **SCHEDULE 4**

### **Additional powers of Receiver**

Any Receiver appointed to any Chargor or in relation to all or any of the Security Assets of any Chargor, shall have, (i) the powers conferred by the LPA on receivers and mortgagees in possession, (ii) the powers conferred by Clause 11.2 (*Powers of Receiver*), and (iii) the powers set out in this Schedule.

**1       Collect Security Assets and moneys**

To enter into, take immediate possession of, collect and get in the Security Assets. To take all such action and execute all such documentation as the Receiver may consider necessary or desirable for the management, operation or realisation of all or any part of the Security Assets. To collect and get in all moneys or proceeds in any way arising from the Security Assets or any document or right affecting the Security Assets whether directly or indirectly.

**2       Sale and disposal of Security Assets**

To sell, exchange, surrender, renounce, deal with, convert into money, dispose of and realise the Security Assets or any of them or part of the Security Assets, in any manner and subject to any exceptions, reservations, covenants and obligations; and with or without consideration, such consideration taking the form of cash, debentures, shares, securities, other assets or obligations or other valuable consideration, payable in a lump sum or instalments over a period of time, in each case as the Receiver may consider necessary or desirable.

**3       Manage the business**

To continue, commence, manage, develop, amalgamate, diversify or undertake any business of each Chargor.

**4       Apportion payments**

To apportion any Rental Income and any financial liabilities.

**5       Real Property rights**

5.1       To acquire, renew, extend, grant, vary or otherwise deal with such easements, servitudes, rights, privileges and/or licences as the Receiver considers necessary or desirable.

5.2       To construct or complete any building, development and repair to the Secured Property whether or not it is in accordance with the development planned or being carried on at any Secured Property, and any roads, access ways and services.

5.3       To carry out any work involving furnishing or fitting out or the installation or provision of any Equipment on any part of any of the Secured Property.

5.4       To dedicate any part or parts of the Secured Property as a highway where to do so is desirable in order that any Secured Property may more conveniently be developed.

5.5 To make any change or arrangement as to boundaries of any Secured Property with adjoining owners and neighbours so as to resolve any dispute or to facilitate development.

5.6 To make any application for, and maintain any planning consent, building regulations approval or similar consent or licence relating to any of the Secured Property.

Provided this does not result in a breach of the terms of any headlease under which any Chargor holds title to any part of any Chargor's Real Properties or any Occupational Lease, to effect and maintain Insurances, against the Insured Risks including but not limited to: fire and other physical risks; loss of rent; third party or public liability; structural or latent defect; indemnities of any kind; or other matters as the Receiver considers necessary or desirable, and to make, prove, negotiate, adjust or enforce any claim on any Insurances whether effected by any Chargor, Security Agent or the Receiver.

## **6 Leases**

6.1 To grant any lease or tenancy for any term, at any or no rent, with or without any premium on such terms as the Receiver considers necessary or desirable.

6.2 To accept the surrender or renunciation of any lease or tenancy, whether or not for the purpose of enabling a new lease to be granted on such terms as the Receiver considers necessary or desirable, including any payment to the tenant on such surrender or renunciation.

6.3 To give an effectual receipt for any premium payable on any grant, surrender or renunciation of any lease or tenancy.

6.4 To exercise, observe and perform any or all of the powers, obligations or duties conferred or imposed on any owner or occupier of any Secured Property, whether as landlord and/or tenant, at common law or by statute.

6.5 To initiate, oppose, negotiate, participate in, compromise or conclude any review or revision of any rent payable in respect of any lease or tenancy.

## **7 Equipment**

To sever and sell or dispose of separately from any Secured Property containing it, any Equipment without the consent of any Chargor. To substitute, repair or improve the Equipment or any part of it.

## **8 VAT**

To exercise any option or right of election available in law to any Chargor or the Receiver to waive exemption so that the supplies shall be supplies chargeable or taxable for VAT purposes at the standard or other applicable rate of tax.

## **9 Enter into, vary and execute documents**

9.1 To sign, seal using the company seal of any Chargor, execute, deliver, complete and perfect all notices and documents, whether agreements or deeds for exercising,

observing and performing any of the powers, obligations or duties conferred or imposed on the relevant Chargor by this Deed or by any law in respect of the Security Assets, all as the Receiver considers necessary or desirable.

- 9.2 To agree any variation, modification or determination of any existing deeds or agreements and enter into, make or obtain any new agreement or deeds as the Receiver considers may be necessary or desirable.

10 **Receipts**

To give valid receipts for all moneys or realisation proceeds in respect of any Security Asset.

11 **Book debts**

To sell or assign or otherwise dispose of book debts in any manner and on the terms the Receiver considers necessary or desirable.

12 **Dealings with a company**

- 12.1 To promote, incorporate, manage or wind up, either alone or with others, any company, which may or may not be a subsidiary of any Chargor, either for the purposes of:

- 1.1.1 disposing of any Security Asset to that company;
- 1.1.2 undertaking works on or providing services to the occupiers of any Security Asset; and/or
- 1.1.3 realising any Security Asset,

as the Receiver considers necessary or desirable.

13 **Use of moneys**

To utilise any moneys received to finance any expenditure from time to time incurred in connection with, the powers set out in this Schedule in advance of any other payments.

14 **Borrow**

To borrow, raise or secure the payment of money which may be required for the exercise of any of the powers conferred by this Deed, to create Security over any of the Security Assets in whatever form, or provide collateral, which may be granted in priority to the Security created by this Deed, as the Receiver considers necessary or desirable.

15 **Lend**

To lend money and make available any facility to any Chargor, or to such other person as the Receiver considers necessary or desirable.

16 **Uncalled capital**

To make calls of whatever nature on the members of any Chargor for uncalled capital and to request payment of such uncalled capital and enforce such payment in accordance with the constitutional documents of any Chargor.

17      **Voting rights**

To exercise all voting rights which any Chargor may exercise as a member of a company, other corporate or legal entity.

18      **Authorisations**

To obtain, renew, extend, amend or otherwise deal with Authorisations relating to any Chargor's (i) Security Assets, (ii) business, (iii) trade and (iv) ordinary activities, as the Receiver considers necessary or desirable.

19      **Employees and contractors**

19.1      To employ or appoint staff, solicitors, accountants, architects, surveyors, quantity surveyors, estate agents, insurance brokers, contractors, builders, workmen, security staff, watchmen, building managers, managers, officers, agents and other personnel or professional advisers on the terms and at such remuneration as the Receiver considers necessary or desirable.

19.2      To discharge any such person or persons referred to in paragraph 20.1 appointed by any Chargor, officer or delegate of any Chargor.

20      **Proceedings**

To take, defend, appeal, enforce, abandon or otherwise join in any proceedings (including any arbitration or determination of any issue or dispute by an independent expert) concerning or incidental to the Security Assets, any claims in relation to any Chargor, or any of the powers set out in this Schedule.

21      **Compromise**

To make any arrangement, settlement, compromise, or enter into any contract, or refer to arbitration any claim or dispute by any person who is a creditor or any Chargor or in relation to any of the Security Assets which the Receiver considers necessary or desirable.

22      **Redeem prior Security**

To redeem any prior Security and settle any liabilities outstanding for which that Security had been granted.

23      **Delegation**

To delegate all or any power or action of a Receiver under this Deed.

24      **Incidental powers**

To take any other actions which the Receiver:

24.1      considers necessary or desirable to realise, protect, exploit, maintain or increase the value of the Security Assets or any of them;

24.2      considers incidental or conducive to any right, power, function, discretion or authority of the Receiver under this Deed or by law; and

24.3      may undertake as agent of any Chargor.

**SCHEDULE 5**  
**Forms of letter to and from Occupational Tenants**

**Part 1**  
**Notice to Occupational Tenant**

To: [Occupational tenant]

[Date]

Dear Sirs

re: [Insert a description of the Real Property]

**Security Agreement dated [ ] between [insert name of the Chargor] and [insert name of the Security Agent ] (the "Security Agreement")**

We refer to the lease dated [ ] and made between [ ] and [ ] (the "**Lease**") in respect of the real property known as [ ], title number [ ] and located at [insert the address]. Terms defined in the Security Agreement have the same meaning in this Notice.

This letter constitutes notice to you that under the Security Agreement we have assigned, by way of security to [insert name of the Security Agent ] all our rights under the Lease.

We hereby irrevocably instruct and authorise you to pay any rent payable by you under the Lease to our account at [ ], Account No. [ ], Sort Code [ ] (the "**Account**") [insert details of the [ ] Account].

The instructions in this letter apply until you receive notice from the Security Agent to the contrary and notwithstanding any previous instructions given by us.

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

This letter is governed by English law.

Please confirm your agreement to the above by signing the attached acknowledgment and returning it to the Security Agent at [insert Security Agent's address] with a copy to us.

Yours faithfully,

-----  
For

[Insert name of Chargor]

**Part 2**  
**Acknowledgment from Occupational Tenant**

To: [Insert name and address of the Security Agent ]

Attention: [ ]

[Date]

Dear Sirs

re: [Insert a description of the Real Property ]

**Security Agreement dated [ ] between [insert name of the Chargor] and [insert name of the Security Agent] (the "Security Agreement")**

We confirm receipt from [insert name of the Chargor] (the "**Chargor**") of a notice dated [ ] (the "**Notice**") in relation to the Lease (as defined in the Notice) in respect of the real property known as [ ], title number [ ] and located at [insert the address]. Terms defined in the Notice have the same meaning in this letter.

We accept the instructions contained in the Notice.

We confirm that we:

- (a) have not received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease; and
- (b) will pay all rent and all other monies payable by us under the Lease into the Account as defined in the Notice until we receive your written instructions to the contrary.

This letter is governed by English law.

Yours faithfully,

-----  
For  
[ ]

**Part 3**  
**Notice to Account Bank regarding the Operating Account**

To: [insert name and address of Account Bank]

[Date]

Dear Sirs

**Security Agreement dated [ ] between [insert name of Chargor] and [insert name of Security Agent ] (the "Security Agreement")**

We are writing to give you notice of certain rights in respect of the [insert Account Number/Sort Code for the Operating Account] (the "**Operating Account**") that we have granted to [Security Agent] (the "**Security Agent**"). Terms defined in the Security Agreement have the same meanings in this notice. Under the Security Agreement we have charged in favour of the Security Agent by way of second floating charge, all our rights in respect of any moneys standing to the credit of the Operating Account. This charge is junior to the first-ranking floating charge created under the security agreement dated [•] in favour of Equitix Proton Cancer Care LLP (the "**Senior Creditor**"), of which we notified you on [•] (the "**First Notice**"). We hereby notify you that:

- (i) after you have received notice from the Senior Creditor or the Security Agent that our permission is withdrawn, we may not withdraw any moneys from the Operating Account without first obtaining the prior written consent of the Senior Creditor or the Security Agent (as applicable);
- (ii) there is a prohibition in the Security Agreement on the creation of any further Security over the Operating Account; and
- (iii) you are authorised to disclose information relating to the Operating Account to the Senior Creditor and the Security Agent on their request.
- (iv) After you have received notice from the Senior Creditor or the Security Agent that our permission is withdrawn, we irrevocably authorise and instruct you to hold all moneys from time to time standing to the credit of the Operating Account to the order of the Senior Creditor or the Security Agent (as applicable); and pay all or any part of those moneys to the Senior Creditor or the Security Agent (as applicable) (or as it may direct) promptly following receipt of written instructions from the Senior Creditor or the Security Agent (as applicable) to that effect.

By counter-signing this notice the Security Agent confirms that we may make withdrawals from the Operating Account until such time as the Senior Creditor or the Security Agent shall notify you (with a copy to us) in writing that our permission is withdrawn.

We acknowledge that you may comply with the instructions in this letter without any further permission from us. The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent. Please confirm your agreement to the above by sending the attached acknowledgment to the Security Agent at [insert Security Agent's address] with a copy to us.

This letter is governed by English law.

Yours faithfully

-----  
[*insert name of Chargor*]

-----  
[*Security Agent* ]



**Part 4**  
**Acknowledgment from Account Bank regarding Operating Account**

To: [insert name and address of Security Agent], the "**Security Agent**")

Attention: [ ]

[Date]

Dear Sirs

**Security Agreement** dated [ ] between [insert name of Chargor] and [insert name of Security Agent] (the "**Security Agreement**")

We acknowledge receipt of a notice (the "**Second Notice**") from [ ] (the "**Chargor**") dated [ ] that under the Security Agreement it has charged by way of second floating charge in favour of the Security Agent all of the Chargor's right, title and interest in, and relating to the Operating Account (the "**Security**"). Terms defined in the Second Notice have the same meaning in this letter. We confirm that:

- 1 we acknowledge receipt of the Second Notice and accept the authorisations and instructions contained in the Second Notice and we undertake to comply with its terms;
- 2 we have not received notice of:
  - 2.1 any other assignment of or grant or creation of Security over the Operating Account; or
  - 2.2 any interest, claim or right in or to it by any third party,in each case other than the First Notice, and we shall promptly give you notice of any such actual, potential or asserted assignment, Security, interest, claim or right of which we become aware;
- 3 we do not, and will not, hold or otherwise have the benefit of any Security or other interest over the Operating Account (other than any Security in favour of the Senior Creditor); and
- 4 we will not exercise any right of combination, consolidation, merger or set-off which we may have in respect of the Operating Account.

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

This letter is governed by English law.

Yours faithfully,

-----  
(Authorised signatory)

[Account Bank]

**SCHEDULE 6**  
**Forms of letter and acknowledgment for Insurances**

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

Attention: [ ]

*[Date]*

Dear Sirs

**Notice of assignment**

**Security Agreement dated [ ] between *[insert name of the Chargor]* (the "Chargor") and *[insert name of the Security Agent]* (the "Security Agent") (the "Security Agreement")**

We refer to the *[specify the relevant insurance policy]* dated [ ] between us and you (the "**Policy**"). Terms defined in the Security Agreement have the same meaning in this Notice.

1 We notify you that:

- 1.1 under a security agreement dated [•], we have assigned to the Security Agent, all our right, title and interest in and to, and all benefits accruing under, the Policy, as Security for certain obligations owed to the Security Agent;
- 1.2 we may not agree to amend or terminate the Policy without the prior written consent of the Security Agent;
- 1.3 until you receive written notice to the contrary from the Security Agent that an Event of Default has occurred, you may continue to deal with us in relation to the Policy and credit all moneys to which we are entitled under the Policy in accordance with our instructions;
- 1.4 after receipt of written notice from the Security Agent that an Event of Default has occurred, we will cease to have any right to deal with you in relation to the Policy and from that time you should deal only with the Security Agent; and
- 1.5 you are authorised to disclose information relating to the Policy to the Security Agent on their request.

2 We request that you:

- 2.1 after receipt of written notice in accordance with paragraph 1.3, ensure that all moneys to which we are entitled under the Policy are credited to any account of the Security Agent as specified by the Security Agent, and are not paid to us;
- 2.2 in the event that the notice described in paragraph 1.3 above is sent to you by the Security Agent, immediately note on the Policy the Security Agent's Security under the Security Agreement; and
- 2.3 give the Security Agent not less than 30 days' written notice of you terminating the Policy or allowing the Policy to lapse.

3 Please sign and return the enclosed copy of this notice to the Security Agent at [*insert Security Agent's address*] (with a copy to us) to confirm that you:

- 3.1 agree to the terms of this notice and to act in accordance with its provisions;
- 3.2 have not received notice that we have [assigned our rights under the Policy] OR [charged by way of fixed charge our rights to receive all amounts payable to it under the Policy and all our rights in connection with those amounts] to a third party or created any other interest (whether by way of Security or otherwise) in the Policy in favour of a third party; and
- 3.3 have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Policy.

The provisions of this notice are governed by English law.

Yours faithfully

-----  
for and on behalf of  
[*insert name of Chargor*]

Copy to: Security Agent

[*On acknowledgment copy*]

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

Copy to: [*insert name and address of Chargor*]

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 3.

-----  
for and on behalf of  
[*insert name of insurance company*]

Date: -----

## SCHEDULE 7

### Forms of letter and acknowledgment for agreements being assigned agreements

To: [insert name and address of counterparty]

Attention: [ ]

[Date]

Dear Sirs

#### Notice of assignment

Security Agreement dated [ ] between [insert name of the Chargor] and [insert name of the Security Agent] (the "Security Agent") (the "Security Agreement")

- 1 We refer to the [specify the agreement being assigned] dated [ ] between us and you (the "Agreement"). Terms defined in the Security Agreement have the same meaning in this Notice. We notify you that:
  - 1.1 under a Security Agreement we have assigned to the Security Agent all our right, title and interest in and to, and all benefits accruing under, the Agreement as Security for certain obligations owed to the Security Agent;
  - 1.2 we may not agree to amend or terminate the Agreement without the prior written consent of the Security Agent;
  - 1.3 an **Event of Default has occurred** pursuant that that Security Agreement, and therefore you **must not** continue to deal with us in relation to the Agreement;
  - 1.4 we have ceased to have any right to deal with you in relation to the Agreement and you must deal only with the Security Agent; and
  - 1.5 you are authorised to disclose information relating to the Agreement to the Security Agent on its request.
- 2 We request that you:
  - 2.1 ensure that all moneys to which we are entitled under the Agreement are credited to an account of the Security Agent as specified by the Security Agent (and are not paid to us);
  - 2.2 give the Security Agent written notice of any breach of the Agreement as soon as you become aware of it; and
  - 2.3 give the Security Agent not less than 30 days' written notice of you terminating the Agreement.
- 3 Please sign and return the enclosed copy of this notice to the Security Agent at [insert Security Agent's address] (with a copy to us) to confirm that you:
  - 3.1 agree to the terms of this notice and to act in accordance with its provisions;

3.2 have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of Security or otherwise) in the Agreement in favour of a third party; and

3.3 have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Agreement.

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

Yours faithfully

.....  
for and on behalf of  
*[insert name of Chargor]*

Copy to: Security Agent

*[On acknowledgment copy]*

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

Copy to: *[insert name and address of Chargor]*

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 3.

.....  
for and on behalf of  
*[insert name of counterparty]*

Date: .....

.....

## SCHEDULE 8

### Form of Legal Mortgage

**This deed** is dated [ ] between:

- (1) **[Insert name of Chargor]**, a company incorporated under the laws of [England and Wales] with registered number [ ] and whose registered office is at [ ] (the "**Chargor**"); and
- (2) **[insert name of Security Agent]** a company incorporated under the laws of [England and Wales] with registered number [ ] and whose registered office is at [ ] (the "**Security Agent**").

**This deed witnesses as follows:**

#### **1 Definitions and interpretation**

This legal mortgage is intended to be a deed between the parties to it and is referred to here as "**this Mortgage**". Words and expressions defined in the security agreement dated [ ] [on or about the date of this Mortgage] between the Chargor and the Security Agent (the "**Security Agreement**") have the same meanings in this Mortgage unless they are expressly defined in it.

This Mortgage takes effect as a deed even if it is signed under hand on behalf of the Security Agent.

#### **2 Incorporation of provisions into each Mortgage**

Clauses 1.2 (*Construction*), 1.3 (*Third party rights*), 6 (*Representations and warranties*), 7 (*Undertakings relating to the Security Assets*), 8 (*Undertakings relating to Real Properties*), 10 (*Enforcement*), 11 (*Appointment and powers of Receiver*), 12 (*Protection of purchasers*), 13 (*Protection of the Security Agent and Receivers*), 14 (*Costs, expenses and fees*), 15 (*Preservation of Security*), 16 (*Further assurance*), 17 (*Power of attorney*), 18 (*Currency*), 19 (*Set-off*), 20 (*Notices*), 21 (*Calculations and certificates*), 22 (*Partial invalidity*), 23 (*Remedies and waivers*), 24 (*Discharge of Security*), 25 (*Counterparts*), 26 (*Governing law and jurisdiction*) of the Security Agreement are deemed to form part of this Mortgage as if expressly incorporated into this Mortgage and as if references in those Clauses to (a) the "Security Agreement" or "this Deed" were references to this Mortgage, and (b) the Security Assets were references to the assets of the Chargor from time to time charged, or assigned (whether at law, or in equity) in favour of the Security Agent by or pursuant to this Mortgage.

#### **3 Nature of security created**

All of the Security created under this Mortgage is created:

- 3.1 as a continuing security to secure the payment and discharge of all of the Secured Liabilities;
- 3.2 over all present and future assets of the description in this Mortgage in Clause 4 owned by the Chargor, except in the case of assets which are the subject of a legal mortgage under this Deed, and over any right or interest which the Chargor may otherwise have in such assets; and

- 3.3 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

#### **4 Fixed security**

The Chargor:

- 4.1 charges to the Security Agent by way of second legal mortgage its Real Properties including those listed in the Schedule, (*Real Properties charged by way of legal mortgage*); and
- 4.2 charges, to the Security Agent to the extent not subject to the charge by way of legal mortgage in Clause 4.1, by way of second fixed charge its Real Property which it has now or which it owns and which it may subsequently acquire.

#### **5 [Application to Land Registrar**

The Chargor shall apply to the Land Registry in Form RX1 and consents to the registration against the registered titles specified in the Schedule (*Real Property charged by way of legal mortgage*) of a restriction in the following terms:

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

#### **6 Negative pledge**

The Chargor shall not create or permit to subsist any Security over any Security Asset other than Permitted Security.

#### **7 Governing law**

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

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

**Schedule**  
**Real Property charged by way of legal mortgage**

<b>Description address</b>	<b>Title Number</b>
Northumberland Cancer Centre, the land on the east side of Thornley Terrace, Bedlington, Northumberland NE22 7FD	ND185296
The Rutherford Cancer Centre, 2 Mason Street, Edge Hill, Liverpool, L7 3EW	MS651870
Plots 3 and 4, Thames, Valley Science Park, Shinfield, Reading	BK498627



## EXECUTION PAGE TO LEGAL MORTGAGE

### The Chargor

**Executed** as a **deed** by [insert name of  
Chargor] acting by a director in the  
presence of:

\_\_\_\_\_  
signature

Director

signature  
of witness

\_\_\_\_\_  
print name

name

\_\_\_\_\_  
print name of witness

address

### The Security Agent

Signed for and on behalf of the [*Security Agent*]

)

)

By

EXECUTION PAGE TO SECURITY AGREEMENT

The Chargors

Executed as a deed by **Rutherford Health PLC** acting by a director in the presence of:

M King Director  
signature

signature  
of witness S Coultras

MARCUS KING  
print name

name SHIRLEY COULTAS  
print name of witness

address SUITE 4, PENN HOUSE, 9-10 BROAD ST, HEREFORD, HR4 9AP.

Executed as a deed by **Rutherford Cancer Care Limited** acting by a director in the presence of:

M King  
signature

signature  
of witness S Coultras

MARCUS KING  
print name

name SHIRLEY COULTAS  
print name of witness

address SUITE 4, PENN HOUSE, 9-10 BROAD ST, HEREFORD, HR4 9AP.

Executed as a deed by **Rutherford Estates Limited** acting by a director in the presence of:

M King  
signature

signature  
of witness S Coultras

MARCUS KING  
print name

name SHIRLEY COULTAS  
print name of witness

address SUITE 4, PENN HOUSE, 9-10 BROAD ST, HEREFORD, HR4 9AP

Executed as a deed by **Rutherford  
Innovations Limited** acting by a director  
in the presence of:

signature  
of witness S. Coultas

M King  
signature

MARCUS KING  
print name

name SHIRLEY COULTAS  
print name of witness

address SUITE 4, 9-10 BROAD ST, HEREFORD, HR4 9AP.

Executed as a deed by **Rutherford  
Infrastructures Limited** acting by a  
director in the presence of:

signature  
of witness S. Coultas

M King  
signature

MARCUS KING  
print name

name SHIRLEY COULTAS  
print name of witness

address SUITE 4, 9-10 BROAD ST, HEREFORD, HR4 9AP.

Executed as a deed by **Rutherford  
Estates Management Limited** acting by a  
director in the presence of:

signature  
of witness S. Coultas

M King  
signature

MARCUS KING  
print name

name SHIRLEY COULTAS  
print name of witness

address SUITE 4, 9-10 BROAD ST, HEREFORD, HR4 9AP.

**Executed as a deed by Proton Partners  
International Limited** acting by a director  
in the presence of:

MLK  
signature

signature  
of witness S Coultas

MARCUS KING  
print name

name SHIRLEY COULTAS  
print name of witness

address SUITE 4, 9-10 BROAD ST, HEREFORD, HR4 9AP,

**Executed as a deed by Rutherford  
Diagnostics Limited** acting by a director  
in the presence of:

\_\_\_\_\_  
signature

signature  
of witness \_\_\_\_\_

\_\_\_\_\_  
print name

name \_\_\_\_\_  
print name of witness

address

**Executed as a deed by Proton Partners  
International Limited acting by a director  
in the presence of:**

signature

signature  
of witness

print name

name

print name of witness

address

**Executed as a deed by Rutherford  
Diagnostics Limited acting by a director  
in the presence of:**

signature

signature  
of witness

print name

name

print name of witness

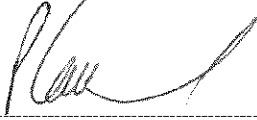
address

Rutherford Cancer Centre.  
3 Collegiate Square  
Reading RG2 9LH

**The Security Agent**

Signed for and on behalf of **GLAS TRUST CORPORATION LIMITED**

by



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Signature

Paul Cattermole  
Authorised Signatory