



Registration of a Charge

Company name: **HALEBOURNE CARE GROUP LIMITED**

Company number: **10932729**



X8CSSQ00

Received for Electronic Filing: **28/08/2019**

Details of Charge

Date of creation: **20/08/2019**

Charge code: **1093 2729 0002**

Persons entitled: **JULIAN HODGE BANK LIMITED**

Brief description:

Contains fixed 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: **LOWRI GWYN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10932729

Charge code: 1093 2729 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th August 2019 and created by HALEBOURNE CARE GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th August 2019 .

Given at Companies House, Cardiff on 29th August 2019

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

Dated: 20 August 2019

- (1) **HALEBOURNE CARE GROUP LIMITED** as Chargor
(2) **JULIAN HODGE BANK LIMITED** as Lender
-

Share Charge

relating to the shares in Bucklers Park Care Home Limited (company number 11330572)

We hereby certify this to be a true copy of the original subject to redaction under S859G Companies Act 2006.

Eversheds Sutherland (International) LLP
EVERSHEDS SUTHERLAND (INTERNATIONAL) LLP

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THIS DEED is made on

2 August

2019 between:

- (1) **HALEBOURNE CARE GROUP LIMITED**, registered in England and Wales (company number 10932729) at 66 Prescott Street, London, United Kingdom, E1 8NN, as chargor (the "**Chargor**"); and
- (2) **JULIAN HODGE BANK LIMITED**, registered in England and Wales (registered number 00743437) of One Central Square, Cardiff, South Glamorgan, CF10 1PS (the "**Lender**").

IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Deed:

"**Associated Benefits**" means, in respect of any asset or Investment:

- (a) all monies including (where relevant) all dividends, distributions, profits, compensation, damages, income or interest paid or payable relating to that asset; and
- (b) all Authorisations, rights, benefits, claims or property at any time relating to that asset.

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

"**Borrower**" means Bucklers Park Care Home Limited, registered in England and Wales (company number 11330572) whose registered office is at 66 Prescott Street, London, United Kingdom, E1 8NN.

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

"**Delegate**" means any delegate, agent, attorney or co-trustee appointed by the Lender.

"**Event of Default**" means any event or circumstance specified as an event of default (howsoever described) in the Facility Agreement.

"**Facility Agreement**" means a sterling term facility agreement for £2,060,000 between (1) the Borrower and (2) the Lender and entered into on or around the date of this Deed.

"**Finance Documents**" has the meaning given in the Facility Agreement.

"**Insolvency Act**" means the Insolvency Act 1986.

"**Insolvency Event**" means any corporate action, legal proceedings or other procedure or step that is taken in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Chargor;
- (b) a composition, compromise, assignment or arrangement with any creditor of the Chargor;
- (c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Chargor or any of its assets; or

(d) the enforcement of any Security over any assets of the Chargor, or any analogous procedure or step is taken in any jurisdiction.

"Interest Period" means each interest period determined in accordance with the Facility Agreement.

"Investments" means:

- (a) the Specified Shares; and
- (b) all other stocks, shares, bonds, securities or Investments held or issued by the Chargor in the Company from time to time.

"Loan" means the loan to be made available to the Borrower under the Facility Agreement and the amount of it outstanding at any time (including where the Loan has been drawn by way of multiple advances, the aggregate of all advances drawn) (as the context requires).

"LPA" means the Law of Property Act 1925.

"Party" means a party to this Deed.

"Original Jurisdiction" means the jurisdiction under whose laws the Chargor is incorporated as at the date of this Deed.

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Secured Property.

"Relevant Jurisdiction" means, in relation to the Chargor, its Original Jurisdiction and any jurisdiction where it conducts its business.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly or with any other person, whether as principal or surety or in any other capacity whatsoever) due, owing or incurred (before or after demand) of the Borrower and the Chargor to the Lender pursuant to the Facility Agreement, this Deed or any other Finance Document, together with interest (both before and after judgement) accruing in respect of those liabilities.

"Secured Property" means the assets, property, rights and revenues of the Chargor which from time to time are, or are expressed to be, the subject of any Security created by this Deed.

"Security" means any mortgage, charge, pledge, lien, assignment, right of set-off, right to retention of title or other encumbrance, whether fixed or floating over any present or future property assets or undertaking.

"Specified Shares" means the shares specified in Schedule 1 (*The Specified Shares*).

"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).

"Tax Deduction" means a deduction or withholding for or on account of Tax from a payment to the Lender under a Finance Document.

"Utilisation Date" means the date on which the Loan (or any part thereof, if the Loan is to be drawn by way of multiple advances) is made available.

"Utilisation Request" means a written request for the Loan substantially in the form set out in the Facility Agreement.

1.2 Construction

- 1.2.1 Unless a contrary indication appears, any reference in this Deed to:
- 1.2.1.1 the "**Lender**", the "**Borrower**", the "**Chargor**" or any "**Party**" shall be construed so as to include its successors in title, permitted assigns, permitted assignees and permitted transferees;
 - 1.2.1.2 an **account** is a reference to that account as re-designated, re-numbered, substituted or replaced from time to time;
 - 1.2.1.3 any **asset** includes present and future properties, revenues and rights of every description, all proceeds of sale of such asset, all rights under any agreement for the sale, lease or licence of such asset and any monies paid or payable in respect of such asset;
 - 1.2.1.4 any **disposal** includes a sale, transfer, assignment, grant, lease, licence, declaration of trust or other disposal, whether voluntary or involuntary, and **dispose** will be construed accordingly;
 - 1.2.1.5 a **Finance Document** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated or replaced from time to time;
 - 1.2.1.6 **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - 1.2.1.7 **guarantee** includes any guarantee, indemnity, counter-indemnity or other assurance in respect of the indebtedness of any person; and
 - 1.2.1.8 a **person** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing and includes its successors and its permitted assignees and transferees.
- 1.2.2 Where this Deed includes the words **including, in particular or or otherwise** (or similar words or phrases), the intention is to state examples and not to be exhaustive.
- 1.2.3 References to any Security **created by this Deed** are to be deemed to include such Security created or intended to be created, constituted, given, made or extended by, under or evidenced by this Deed.
- 1.2.4 References to **indemnify** means to indemnify against all actions, claims, demands and proceedings taken or made against the Lender or any Receiver and all costs, damages, expenses, liabilities and losses incurred by the Lender or any Receiver.

1.3 Incorporation of other terms

The terms of the other Finance Documents and of any other agreement or document between any of the parties to this Deed are incorporated into this Deed to the extent required to comply with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.4 Third party rights

- 1.4.1 Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed.
- 1.4.2 Notwithstanding any term of this Deed, the consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time.
- 1.4.3 Any Receiver or Delegate may, subject to this Clause 1.4 and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it.

2. COVENANT TO PAY

- 2.1 The Chargor, as principal debtor and not just as surety, covenants with the Lender to pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.
- 2.2 The total amount recoverable by the Lender from the Chargor in relation to the Secured Liabilities shall be limited to the amount realised from the proceeds of sale or other disposal or realisation of the Secured Property together with all costs, expenses, interest and other amounts payable by the Chargor under the terms of this Deed.
- 2.3 Clause 2.2 shall only limit the liability of the Chargor for the discharge of the Secured Liabilities and shall not:
 - 2.3.1 reduce or discharge the Secured Liabilities themselves or limit or restrict the accrual of interest (including default interest) on any amount; or
 - 2.3.2 limit the rights of the Lender to recover any amount from any person other than the Chargor under or in connection with the Finance Documents.

3. GRANT OF SECURITY

3.1 Fixed charges

The Chargor charges by way of first fixed charge:

- 3.1.1 all Its Specified Shares;
- 3.1.2 all Its Investments (other than Its Specified Shares charged under Clause 3.1.1); and
- 3.1.3 all Associated Benefits relating to Its Secured Property.

3.2 General

All Security created by this Deed:

- 3.2.1 is created in favour of the Lender;
- 3.2.2 unless specifically stated otherwise, is created over the present and future assets of the Chargor to the extent of its rights, title and interest in, under and to such assets at any time; and
- 3.2.3 is created with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

3.3 Continuing security

The Security created by this Deed is continuing security for the payment and discharge of the Secured Liabilities. The provisions of this Deed will apply at all times:

- 3.3.1 regardless of the date on which any of the Secured Liabilities were incurred;
- 3.3.2 notwithstanding any intermediate payment or discharge; and
- 3.3.3 in respect of the full amount of the Secured Liabilities at the relevant time even if the amount of the Secured Liabilities had previously been less than that amount or had been nil at any time.

3.4 Additional security

The Security created by this Deed is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Lender. No prior Security held by the Lender over the whole or any of the Secured Property will merge with the Security created by this Deed.

3.5 Validity of details of Specified Shares

The fact that incorrect or incomplete details of any Specified Shares are included or inserted in Schedule 1 (*The Specified Shares*) will not affect the validity or enforceability of the Security created by this Deed.

4. REPRESENTATIONS AND WARRANTIES

The Chargor makes the representations and warranties set out in this Clause 4 to the Lender on the date of this Deed.

4.1 Status

- 4.1.1 If it is a corporate entity, it is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.
- 4.1.2 It has the power to own its assets and carry on its business as it is being conducted.

4.2 Binding obligations

The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations.

4.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this Deed and the granting of the Security created by this Deed do not and will not conflict with:

- 4.3.1 any law or regulation applicable to it;
- 4.3.2 its constitutional documents; or
- 4.3.3 any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

4.4 Power and authority

4.4.1 It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.

4.4.2 No limit on its powers will be exceeded as a result of the grant of Security or giving of guarantees or indemnities contemplated by this Deed.

4.5 Validity and admissibility in evidence

All Authorisations required or desirable:

4.5.1 to enable it lawfully to enter into, exercise its rights and comply with its obligations under this Deed; and

4.5.2 to make this Deed admissible in evidence in its Relevant Jurisdictions,

have been obtained or effected and are in full force and effect except any Authorisation referred to in Clause 4.8 (*No filing or stamp taxes*), which Authorisation(s) will be promptly obtained or effected after the date of this Deed.

4.6 Governing law and enforcement

4.6.1 The choice of English law as the governing law of this Deed will be recognised and enforced in its jurisdiction of incorporation.

4.6.2 Any judgment obtained in England and Wales in relation to this Deed will be recognised and enforced in its jurisdiction of incorporation.

4.7 Deduction of Tax

As at the date of this Deed, it is not required to make any Tax Deduction for or on account of Tax from any payment it may make under this Deed.

4.8 No filing or stamp taxes

Under the laws of its jurisdiction of incorporation it is not necessary that this Deed be registered, filed, recorded, notarised or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to this Deed or the transactions contemplated by this Deed except registration of particulars of this Deed at Companies House under the Companies Act 2006 and payment of associated fees, which will be made and paid promptly after the date of this Deed.

4.9 Information

4.9.1 All information supplied by it or on its behalf to the Lender in connection with this Deed or any Secured Property was true and accurate as at the date it was provided or as at any date at which it was stated to be given.

4.9.2 It has not omitted to supply any information which, if disclosed, would make the information referred to in Clause 4.9.1 untrue or misleading in any respect.

4.9.3 As at the Utilisation Date, nothing has occurred since the date of the information referred to in Clause 4.9.1 which, if disclosed, would make that information untrue or misleading in any material respect.

4.10 Pari passu ranking

Its payment obligations under this Deed rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

4.11 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, have been started or threatened against it.

4.12 Insolvency

No corporate action, legal proceeding or other procedure, creditors' process or step described in clause 5 of Schedule 11 (*Events of Default*) of the Facility Agreement has been taken or, to its knowledge, threatened in relation to it and none of the circumstances described in clause 5 of Schedule 11 (*Events of Default*) of the Facility Agreement applies to it.

4.13 Centre of main interests and establishments

For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the "**Regulation**"), its centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in England and Wales and it has no "establishment" (as that term is used in Article 2(h) of the Regulation) in any other jurisdiction.

4.14 Ranking of Security

The security conferred by this Deed constitutes a first priority security interest of the type described, over the assets referred to, in this Deed and those assets are not subject to any prior or *pari passu* Security.

4.15 Secured Property

4.15.1 The entire issued share capital of the Company is, legally and beneficially, directly owned and controlled by the Chargor.

4.15.2 It is the sole legal and beneficial owner of, and has good and marketable title to, the Secured Property, in each case, free from Security or restrictions (other than those created by or pursuant to this Deed).

4.15.3 The shares in the capital of the Company are fully paid and are not subject to any option to purchase or similar rights.

4.15.4 The constitutional documents of the Company do not and could not restrict or inhibit any transfer of the shares of the Company on creation or enforcement of the Security conferred by this Deed.

4.16 Repetition

Each of the representations and warranties set out in this Clause 4 are deemed to be made by the Chargor by reference to the facts and circumstances then existing on the date of the Utilisation Request, on the Utilisation Date and on the first day of each Interest Period.

5. UNDERTAKINGS

The undertakings in this Clause 5 remain in force from the date of this Deed for so long as any amount is outstanding under the Finance Documents.

5.1 Negative pledge

The Chargor may not create or permit to subsist any Security over any Secured Property.

5.2 Disposals

The Chargor shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Secured Property.

5.3 Documents relating to Secured Property

The Chargor shall:

5.3.1 on the date of this Deed (in the case of any Secured Property existing on the date of this Deed), on the date of acquisition or receipt of any Secured Property (in the case of any Secured Property acquired or received after the date of this Deed) and, at any other time, promptly upon request by the Lender, deposit with the Lender:

5.3.1.1 all documents of title or other evidence of ownership relating to its Secured Property;

5.3.1.2 transfers of the Investments, each executed in blank; and

5.3.1.3 such deeds, certificates and documents relating to its Secured Property as the Lender may reasonably request; and

5.3.2 promptly supply to the Lender such further information regarding its Secured Property as the Lender may reasonably request.

5.4 Maintenance of Secured Property

The Chargor may not:

5.4.1 take or permit the taking of any action which may adversely affect the value of any of the Secured Property, prejudice the interests of the Lender under any Finance Document or result in the rights attaching to any of the Secured Property being altered or diluted; or

5.4.2 except where the Lender so requires or permits, nominate another person to enjoy or exercise any of its rights in relation to any of the Secured Property.

5.5 Dividends and voting rights

5.5.1 Subject to Clause 5.4 (*Maintenance of Secured Property*) and provided that no Event of Default is continuing, the Chargor may:

5.5.1.1 receive and retain all dividends or other income paid or payable in respect of its Investments; and

5.5.1.2 exercise all voting and other rights attaching to its Investments, provided that it does so for a purpose not inconsistent with any Finance Document.

5.5.2 While any Event of Default is continuing, the Chargor shall:

5.5.2.1 hold any dividends or other income received in respect of the Investments on trust for the Lender and pay such amounts into a separate account or otherwise as the Lender may direct; and

5.5.2.2 exercise all voting and other rights attaching to the Investments as the Lender may direct.

5.6 Further assurance

The Chargor shall promptly take all such actions, including executing all such documents, notices and instructions in such form as the Lender may reasonably require:

- 5.6.1 to create, perfect, protect and (if necessary) maintain the Security created by this Deed or for the exercise of any rights, powers and remedies of the Lender provided by or under this Deed or by law or regulation; and/or
- 5.6.2 to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by this Deed.

5.7 Power to remedy

If the Chargor fails to comply with any of its obligations under this Deed, the Lender (or its nominee) may (at the Chargor's expense) take such action as is necessary to protect any assets against the consequences of the Chargor's non-compliance and/or to ensure compliance with such obligations. The Lender is not obliged to perform any obligation of the Chargor nor to take any action which it may be entitled to take under this Deed.

5.8 Power of attorney

- 5.8.1 As security for the performance of its obligations under this Deed, the Chargor irrevocably appoints the Lender, each Receiver and each Delegate to be its attorney, with full power of substitution.
- 5.8.2 Each attorney may, in the name of the Chargor and on its behalf and at its expense, do anything which the Chargor is obliged to do under any Finance Document to which it is a party but has failed to do or which the Lender, Receiver or Delegate may in their absolute discretion consider appropriate in connection with the exercise of any of their rights, powers, authorities or discretions in relation to the Secured Property or under or otherwise for the purposes of any Finance Document or any law or regulation.
- 5.8.3 The Chargor ratifies and confirms anything done by any attorney under this Clause 5.8. The Chargor agrees to indemnify each attorney against all actions, claims, demands and proceedings taken or made against it and all costs, damages, expenses, liabilities and losses incurred by each attorney as a result of or in connection with anything lawfully done by it under or in connection with this power of attorney.

6. RIGHTS OF ENFORCEMENT

6.1 Secured Liabilities deemed payable

For the purposes of all rights and powers implied by statute, the Secured Liabilities are deemed to be due and payable on the date of this Deed.

6.2 When Security enforceable

The Security created by this Deed is enforceable at any time while an Event of Default is continuing.

6.3 Enforcement powers

At any time (a) when the Security created by this Deed is enforceable or (b) following a request by the Chargor, the Lender may, without further notice:

- 6.3.1 appropriate, realise or transfer, including to itself or to any other person, all or any part of the Secured Property;

- 6.3.2 appoint one or more persons to be a Receiver of all or any part of the Secured Property;
- 6.3.3 exercise any of the powers, authorities and discretions conferred on mortgagees, administrators or receivers, under the LPA, the Insolvency Act, any other legislation or regulation or under this Deed; and/or
- 6.3.4 take such further action as it sees fit to enforce all or any part of the Security created by this Deed.

6.4 **Rights in relation to a Receiver**

The Lender may remove any Receiver appointed under this Deed, appoint another person as Receiver or appoint additional Receivers. Each Receiver will be deemed to be the agent of the Chargor who alone will be responsible for the acts and defaults of the Receiver and for any liabilities incurred by the Receiver. The Lender may fix the remuneration of a Receiver which will be payable by the Chargor and form part of the Secured Liabilities.

6.5 **Redemption of prior Security**

Where there is any Security created over any of the Secured Property which ranks in priority to the Security created by this Deed and:

- 6.5.1 the Security created by this Deed becomes enforceable; and/or
- 6.5.2 the holder of such other Security takes any steps to enforce that Security,

the Lender or any Receiver may, at its sole discretion and at the cost and expense of the Chargor, redeem, take a transfer of and/or repay the indebtedness secured by such other Security. All amounts paid by the Lender or a Receiver under this Clause will form part of the Secured Liabilities.

6.6 **Appropriation of payments**

Any appropriation by the Lender or a Receiver under this Deed will override any appropriation by the Chargor.

6.7 **Financial collateral**

6.7.1 To the extent that any of the assets charged under this Deed constitute "financial collateral" and this Deed constitutes a "financial collateral arrangement" (In each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**FC Regulations**")), the Lender will have the right at any time when such Security is enforceable to appropriate all or any part of that financial collateral in such manner as it sees fit in or towards the satisfaction of the Secured Liabilities.

6.7.2 Where any financial collateral is appropriated, its value shall be:

- 6.7.2.1 in the case of cash, its face value at the time of the appropriation;
- 6.7.2.2 if the financial collateral is listed or traded on a recognised exchange, the value at which it could have been sold on that exchange at the time of appropriation; and
- 6.7.2.3 in any other case, the amount reasonably determined by the Lender by such process as it may select, including independent valuation,

and the Chargor agrees that the method of valuation provided for in this Clause 6.7.2 is commercially reasonable for the purposes of the FC Regulations.

6.8 Demands

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

7. POWERS OF A RECEIVER

7.1 General powers

Any Receiver will have:

- 7.1.1 the rights, powers, privileges and immunities conferred on receivers, managers and mortgagees in possession under the LPA;
- 7.1.2 the rights, powers, privileges and immunities conferred on administrative receivers (whether or not that Receiver is an administrative receiver) under the Insolvency Act; and
- 7.1.3 all other rights, powers, privileges and immunities conferred by law or regulation on receivers, receivers and managers, mortgagees in possession and administrative receivers.

7.2 Specific powers

The rights, powers and remedies provided in this Deed are in addition to any rights, powers and remedies under law or regulation. Any Receiver will have the following additional powers:

- 7.2.1 the power to do or omit to do anything which the Chargor could do or omit to do in relation to the Secured Property which is the subject of the appointment;
- 7.2.2 the power to do all other acts and things which the Receiver may consider desirable or necessary for realising any of the Secured Property or incidental or conducive to any of the rights, powers and discretions conferred on a Receiver under this Deed or by law or regulation; and
- 7.2.3 the power to use the Chargor's name for all the above purposes.

7.3 Variation of statutory powers

The following statutory provisions do not apply to this Deed or any Security created by this Deed:

- 7.3.1 the restriction on the consolidation of mortgages in section 93 of the LPA;
- 7.3.2 the restrictions on the power to grant or accept the surrender of leases in sections 99 and 100 of the LPA;
- 7.3.3 the conditions to the exercise of a power of sale in section 103 of the LPA;
- 7.3.4 the restrictions on the application of proceeds by a mortgagee or receiver in sections 105, 107(2) and 109(8) of the LPA; and
- 7.3.5 the restrictions on the appointment of a receiver in section 109(1) of the LPA and the provisions regarding a receiver's remuneration in section 109(6) of the LPA.

8. PAYMENTS AND ACCOUNTS

8.1 Set-off and other remedies

- 8.1.1 All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.
- 8.1.2 The Lender may set off any matured obligation due from the Chargor under this Deed (to the extent beneficially owned by the Lender) against any matured obligation owed by the Lender to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- 8.1.3 The Lender may, at any time, combine or consolidate any accounts held by it for the Chargor.

8.2 No withholding

- 8.2.1 The Chargor shall make all payments to be made by it without any Tax Deduction, unless a Tax Deduction is required by law.
- 8.2.2 The Chargor shall, promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction), notify the Lender accordingly.
- 8.2.3 If a Tax Deduction is required by law to be made by the Chargor, the amount of the payment due from the Chargor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- 8.2.4 If the Chargor is required to make a Tax Deduction, the Chargor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

8.3 Default interest

If the Chargor fails to pay any amount payable by it under this Deed on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is 2% (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 in the currency of the overdue amount for successive Interest Periods, each of a duration selected by the Lender. Any interest accruing under this Clause shall be immediately payable by the Chargor on demand by the Lender. Default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each Interest Period applicable to that overdue amount but will remain immediately due and payable.

8.4 General

- 8.4.1 Subject to Clause 8.4.2, sterling is the currency of payment for any sum due from the Chargor under this Deed.
- 8.4.2 Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.
- 8.4.3 If the Chargor pays any amount in a different currency, it shall as an independent obligation immediately on demand indemnify the Lender against

any cost, loss or liability arising out of or as a result of the conversion into the required currency.

- 8.4.4 All amounts payable by the Chargor under this Deed shall be paid immediately on demand by, and in accordance with the instructions of, the Lender.
- 8.4.5 Any certification or determination by the Lender of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.
- 8.4.6 Any demand for payment made by the Lender shall be valid and effective even if it contains no statement of the relevant liabilities or an inaccurate or incomplete statement of them. The Lender may make any number of demands under this Deed.

9. APPLICATION OF PROCEEDS

9.1 Order of priority

All amounts received by the Lender in connection with the enforcement of the Security created by this Deed will be applied, to the extent permitted by applicable law, in accordance with the provisions of the Facility Agreement.

9.2 New accounts

If at any time:

- 9.2.1 any of the Chargor's obligations cease to be continuing obligations for any reason; or
- 9.2.2 the Lender receives or is deemed to have received notice of subsequent Security over any of the Secured Property,

the Lender may open a new account with the Chargor. If the Lender does not open a new account, it will be treated as having done so at the time when the Chargor's obligations cease to be continuing obligations or, as the case may be, the relevant notice of subsequent security was received and, as from that time, all payments made by or on behalf of the Chargor to the Lender will be credited or be treated as having been credited to the relevant new account and not as having been applied in discharge of the Secured Liabilities.

9.3 Release of Secured Property

If the Lender is satisfied that all the Secured Liabilities have, subject to Clauses 12.1 (*Reinstatement*) and 12.2 (*Avoidable payments*), been unconditionally and irrevocably paid and discharged in full and all facilities which might give rise to Secured Liabilities have terminated, the Lender will, at the request and cost of the Chargor, execute such documents and take such steps necessary to release the Secured Property from the Security created by this Deed.

10. PROTECTION OF THIRD PARTIES

10.1 No buyer from, or other person dealing with, the Lender or a Receiver will be concerned to enquire whether:

- 10.1.1 any money remains due under the Finance Documents;
- 10.1.2 any power which the Lender or Receiver is purporting to exercise has arisen or become exercisable; or
- 10.1.3 the Lender or Receiver is validly appointed and acting within its powers in accordance with this Deed.

10.2 The receipt of the Lender, any Receiver or any Delegate will be an absolute and conclusive discharge to a purchaser of any of the Secured Property who will have no obligation to enquire how any monies are applied.

11. PROTECTION OF LENDER

11.1 No liability as mortgagee in possession

Neither the Lender nor any Receiver will be liable to account to the Chargor as mortgagee in possession by reason of entering into possession of any of the Secured Property, nor for any cost, loss or liability on realisation, nor for any default or omission for which a mortgagee in possession might be liable.

11.2 Tacking

The Security created by this Deed is intended to secure any further advances which the Lender is obliged to make under the Finance Documents.

11.3 Discretion of the Lender

The Lender is entitled to exercise its rights, powers and discretions under this Deed in accordance with the terms of the Finance Documents and the Chargor does not have any right to control or restrict the Lender's exercise of any of its rights, powers or discretions under this Deed.

12. SAVING PROVISIONS

12.1 Reinstatement

If, at any time, there has been a release, settlement or discharge of the Chargor's obligations under this Deed and, as a consequence of any Insolvency Event or for any other reason:

12.1.1 any payment made to any person in respect of any of the Secured Liabilities is required to be repaid; and/or

12.1.2 any Security (or other right) held by the Lender in respect of any of the Secured Liabilities (whether under this Deed or otherwise) is declared void, is set aside or is otherwise affected,

then the Chargor's obligations under this Deed will continue in effect as if there had been no such release, settlement or discharge and as if the relevant payment had not been made and/or (as applicable) the relevant obligation or Security (or other right) had not been so affected; and accordingly (but without limiting the Lender's other rights under this Deed) the Lender will be entitled to recover from the Chargor the value which the Lender has placed upon such Security (or other right) or the amount of any such payment as if such release, settlement or discharge had not occurred.

12.2 Avoidable payments

If the Lender, acting reasonably, considers that any amount paid by or on behalf of the Chargor in respect of the Secured Liabilities is capable of being avoided, set aside or ordered to be refunded or reduced for any reason then, for the purposes of this Deed, such amount will not be considered to have been Irrevocably paid.

12.3 Waiver of defences

The obligations of the Chargor under this Deed and the Security created by this Deed will not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Deed or the Security created by this Deed (without limitation and whether or not known to it or the Lender) including:

- 12.3.1 any time, waiver or consent granted to, or composition with, the Chargor, the Borrower or any other person;
- 12.3.2 the release of the Borrower or any other person under the terms of any composition or arrangement with any creditor of the Borrower;
- 12.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Chargor, the Borrower or any 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;
- 12.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor, the Borrower or any other person;
- 12.3.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including 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 any Finance Document or other document or security;
- 12.3.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- 12.3.7 any insolvency or similar proceedings.

12.4 Chargor Intent

Without prejudice to the generality of Clause 12.3 (*Waiver of defences*), the Chargor expressly confirms that it intends that the Security created by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

12.5 Immediate recourse

The Chargor waives any right it may have of first requiring the Lender or any Receiver (or any trustee or agent on their behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

12.6 Appropriations

Until all amounts which may be or become payable by the Borrower under or in connection with the Finance Documents have been irrevocably paid in full, the Lender or any Receiver (or any trustee or agent on their behalf) may:

- 12.6.1 refrain from applying or enforcing any other monies, security or rights held or received by the Lender (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and

- 12.6.2 hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

12.7 Deferral of Chargor's rights

Until all amounts which may be or become payable by the Borrower under or in connection with the Finance Documents have been irrevocably paid in full and unless the Lender otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under the Finance Documents:

- 12.7.1 to be indemnified by the Borrower;
- 12.7.2 to claim any contribution from the Borrower of its obligations under the Finance Documents;
- 12.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Lender;
- 12.7.4 to bring legal or other proceedings for an order requiring the Borrower to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity;
- 12.7.5 to exercise any right of set-off against the Borrower; and/or
- 12.7.6 to claim or prove as a creditor of the Borrower in competition with the Lender.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Lender by the Borrower under or in connection with the Finance Documents to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender or as the Lender may direct for application in accordance with Clause 9.1 (*Order of Priority*).

13. CHANGES TO THE PARTIES

13.1 No assignment by Chargor

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Deed.

13.2 Assignment by Lender

The Lender may assign any of its rights or transfer any of its rights or obligations under this Deed in accordance with the terms of the Facility Agreement.

14. NOTICES

- 14.1 Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by letter or electronic mail.

- 14.2 Any communication to be made between the Parties under or in connection with this Deed may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if the Parties:

- 14.2.1 notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and

- 14.2.2 notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- 14.3 The address and electronic mail address of each Party for any communication or document to be made or delivered under or in connection with this Deed is in the case of each Party, that identified with its name below or any substitute address or electronic mail address as the Party may notify to the other by not less than five Business Days' written notice:
- 14.3.1 Chorgor:
- Halebourne Care Group Limited
- Halebourne Group
- The Office
- Halebourne House
- Halebourne Lane
- Chobham
- Surrey GU24 8SL
- Attention: Craig Griffin
- Email address: Redacted - Eversheds
Sutherland (International) LLP
- 14.3.2 Lender:
- Julian Hodge Bank Limited
- One Central Square
- Cardiff
- CF10 1FS
- Attention: Paul Green
- Email address: Redacted - Eversheds
Sutherland (International) LLP
- 14.4 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
- 14.4.1 if by way of fax, when received in legible form; or
- 14.4.2 if by way of letter, when it has been left at the relevant address or five 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 14 (*Notices*), if addressed to that department or officer.
- 14.5 Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the Lender as specified above (or any substitute department or officer as the Lender shall specify for this purpose).

14.6 Any communication or document which becomes effective in accordance with this Clause 14 (*Notices*) after 5:00 p.m. in the place of receipt, shall be deemed only to become effective on the following day.

14.7 Any communication to be made under or in connection with any Finance Document shall be made in readable form and in English.

15. **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 the Deed.

16. **GOVERNING LAW**

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

17. **ENFORCEMENT**

17.1 **Jurisdiction**

17.1.1 The courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) and any non-contractual obligations arising out of or in connection with it (a "**Dispute**").

17.1.2 The parties to this Deed agree that the courts of England and Wales are the most appropriate and convenient courts to settle any Dispute and accordingly no party to this Deed will argue to the contrary.

17.1.3 This Clause 17 is for the benefit of the Lender only. As a result, the Lender will not be prevented from taking proceedings relating to a Dispute in any other court with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

This Deed is executed as a deed and delivered on the date stated at the beginning of this Deed.

SCHEDULE 1

The Specified Shares

Company	Registration number (or equivalent, if any)	Number and class of shares
Bucklers Park Care Home Limited	11330572	100 ordinary shares of £1.00 each

EXECUTION

The Chargor

Executed as a deed by
HALEBOURNE CARE GROUP LIMITED,

acting by one director in the presence of:

Witness signature:

Witness name: *Mr M J Dorman*

Witness address: *One Central Square, The Oval,
St. James Park, Guilford GU1 3SL*

Redacted - Eversheds
Sutherland (International) LLP

Director

Name: *Carib Gerson*

The Lender

Executed as a deed by
JULIAN HODGE BANK LIMITED
acting by its duly authorised attorney

in the presence of:

Witness signature:

Witness name:

Witness address:

Witness occupation:

and its duly authorised attorney

in the presence of:

Witness signature:

Witness name:

Witness address:

Witness occupation:

Authorised signatory

Authorised signatory

Communications to be delivered to:

Address: One Central Square
Cardiff, CF10 1PS

Attention: The Managing Director