



Registration of a Charge

Company Name: **ASHTED HOUSE LIMITED**

Company Number: **03822114**



XCXOU8VK

Received for filing in Electronic Format on the: **26/02/2024**

Details of Charge

Date of creation: **14/02/2024**

Charge code: **0382 2114 0006**

Persons entitled: **AI CARE SEC LIMITED AS SECURITY TRUSTEE**

Brief description: **NONE. FOR FURTHER INFORMATION PLEASE SEE THE CHARGING INSTRUMENT.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

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: **HUGO KHAN TLT LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3822114

Charge code: 0382 2114 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th February 2024 and created by ASHTEAD HOUSE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th February 2024 .

Given at Companies House, Cardiff on 28th February 2024

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 14 February 2024

- (1) The Companies Listed in Schedule 1 as the Chargers
- (2) AI Care Sec Limited as Security Trustee

COMPOSITE DEBENTURE

Recovery under this Composite
Debenture is governed by the terms
of a Deed of Priority dated

14 February 2024

TLT LLP

The electronic deed of which this is a print-out is amended this day 22 February 2024 as follows:

1. the date of the Deed of Priority, being 14 February 2024 is added to the front page;
2. on page 42 (as paginated), row 24 is removed in its entirety;
3. on page 42 (as paginated), the full address details for Jubilee House and Busby Court, being "Jubilee House, Waterworks Road, Eastbourne, BN22 8LQ" and "4 Busby Court, Ceylon Place, Eastbourne, BN21 3JG" are added;
4. on page 42 (as paginated), the Title Numbers corresponding to rows 25 and 26 are both amended to read "Not Applicable"^{83525820.2};
5. on page 42 (as paginated), the three footnotes are all removed in their entirety.

TLT LLP

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THIS DEED is dated

14 February

2024

PARTIES

- (1) The entities listed in Schedule 1 to this Deed (each a "**Chargor**" and together the "**Chargors**"); and
- (2) **AI Care Sec Limited** a private limited company incorporated and registered in England and Wales with registered number 15359459 whose registered office is at Throwleigh Lodge Ridgeway, Horsell, Woking, Surrey, United Kingdom, GU21 4QR as security agent and trustee for itself and the Secured Parties (as defined below) (the **Security Trustee**).

BACKGROUND

Under this Deed, each Chargor provides security in favour of the Security Trustee (as security agent and trustee for itself and the Secured Parties) for all its and each Obligor's present and future obligations and liabilities to the Secured Parties from time to time.

AGREED TERMS

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply in this Deed.

Administrator: an administrator appointed to manage the affairs, business and property of any Chargor pursuant to clause 16.8.

Barbican Investments Limited: means Barbican Investments Limited (formerly known as Ethika Investments Limited), a company incorporated and registered in England with company number 09683773 whose registered office is at C/O Resolve Advisory Limited 22 York Buildings, John Adam Street, London, WC2N 6JU.

Book Debts: all present and future book and other debts, and monetary claims due or owing to any Chargor, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by any Chargor in relation to any of them.

Borrowers: means, collectively, (i) Barbican Investments Limited (ii) Wesley Limited (iii) any Borrower as defined in any Facility Letter and (iv) any Co-Borrower as defined in any Facility Letter, and **Borrower** means any of them.

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

Charge Over Shares: means a charge over shares relating to AI Care 2023 Limited dated on or around the date of this Deed and entered into between (1) Wesley Limited (as Chargor) and (2) AI Care Sec Limited (as Security Trustee).

Charged Property: any freehold, leasehold or commonhold property the subject of the security constituted by this Deed and references to "**Charged Property**" shall include references to the whole or any part or part of it.

Composite Charge Over Shares: means a charge over shares relating to AI Care RC Limited, AI Care SL Limited and AI Care 2024 Limited dated on or around the date of this Deed and entered into between (1) AI Care TopCo Limited, (2) AI Care 2023 Limited (as Chargors) and (3) AI Care Sec Limited (as Security Trustee).

Delegate: any person appointed by the Security Trustee or any Receiver pursuant to clause 21 and any person appointed as attorney of the Security Trustee, Receiver or Delegate.

Designated Account: any account of any Chargor nominated by the Security Trustee as a designated account for the purposes of this Deed.

Environment: the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.

Environmental Law: all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment.

Environmental Licence: any authorisation, permit or licence necessary under Environmental Law in respect of any Secured Assets.

Equipment: all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by any Chargor, including any part of it and all spare parts, replacements, modifications and additions.

Event of Default: means any event or circumstance specified as such in Schedule 6 and includes any Event of Default defined in the Facility Letter.

Facility Letter means:

- (a) the facility letter originally made between Wesley Finance Limited (as lender) and Barbican Investments Limited (now in compulsory liquidation) (formerly known as Ethika Investments Limited) (as borrower) dated 13 April 2017 as amended and restated on 30 August 2017 when Wesley Limited became co-borrower;
- (b) any other facility letter made between any Borrower, any Lender and/or the Security Trustee from time to time; and
- (c) all other existing and/or future agreements, deeds or documents, as amended from time to time, by or in relation to which any Obligor has agreed, or does agree, in writing that any Obligor's liabilities and obligations to the Secured Parties are to be secured upon Secured Assets,

in each case as the same may be amended, restated, varied, supplemented, replaced or novated from time to time.

Financial Collateral: shall have the meaning given to that expression in the Financial Collateral Regulations.

Financial Collateral Regulations: the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226).

Finance Documents: the Facility Letter, this Deed, the First Debenture, the Second Debenture, the Charge Over Shares, the Composite Charge over Shares, the Second Charge over Shares, the Security Trust Deed, each Security Document (as defined in the Facility Letter) and each other document designated as such by the Security Trustee.

Finance Party: means each Lender, the Security Trustee and each Finance Party as such term is defined in each or any Facility Letter.

First Debenture: means a debenture dated on or around the date of this Deed and entered into between, among others, (1) Al Care TopCo Limited (as Chargor) and (2) Al Care Sec Limited (as Security Trustee).

Insurance Policy: each contract and policy of insurance effected or maintained by any Chargor from time to time in respect of its assets or business (including, without limitation, any contract or policy of insurance relating to the Charged Properties or the Equipment).

Intellectual Property: any Chargor's present and future patents, trademarks, service marks, trade names, designs, copyrights, inventions, topographical or similar rights, confidential information and know-how and any interest in any of these rights, whether or not registered, including all applications and rights to apply for registration and all fees, royalties and other rights derived from, or incidental to, these rights.

Investments: all present and future certificated stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by any Chargor, including any:

- (a) dividend, interest or other distribution paid or payable in relation to any of the Investments; and
- (b) right, money, shares or property accruing, offered or issued at any time in relation to any of the Investments by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise.

Lender: has the meaning given to that expression in each or any Facility Letter.

LPA 1925: the Law of Property Act 1925.

Material Adverse Effect: means, in the opinion of the Lender, a material adverse effect on:

- (a) the business, assets or financial condition of an Obligor; and/or
- (b) the ability of any Obligor to perform any of its obligations under the Finance Documents to which it is a party; and/or
- (c) the value or enforceability of the Security created by the Security Documents

Obligors: means each Chargor, each Borrower and each party to any Finance Document which is not a Finance Party and **Obligor** means any of them.

Receiver: a receiver or a receiver and manager or administrative receiver of any or all of the Secured Assets appointed by the Security Trustee under clause 19.

Relevant Agreement: means each and all of the following both present and future:

- (a) any development documents entered into from time to time including without limitation all building contracts and appointments or related documents and including any collateral warranties provided to any Chargor;
 - (b) each contract in respect of any disposal of any Secured Asset;
 - (c) any lease of Charged Property;
 - (d) any managing agents' agreements; and
 - (e) all other agreements in which any Chargor has an interest,
- in each case including any guarantees or sureties entered into in respect of them.

Rental Income: all amounts paid or payable to or for the account of any Chargor in connection with the letting, licence or grant of other rights of use or occupation of all or any part of the Property.

Rent Account: the account opened or to be opened in the name of any Chargor with a bank or financial institution and designated as such by the Security Trustee and any Chargor, as that account may be renumbered or redesignated from time to time.

Second Charge over Shares: means a charge over shares relating to Ashriver House Limited, Kings Court (Plymouth) Limited and Ashchurch House Limited dated on or around the date of this Deed and entered into between (1) AI Care TopCo Limited (as Chargor) and (2) AI Care Sec Limited (as Security Trustee)

Second Debenture: means a debenture dated on or around the date of this Deed and entered into between, amongst others, (1) AI Care 2024 Limited (as Chargor) and (2) AI Care Sec Limited (as Security Trustee).

Secured Assets: all the assets, property and undertaking of each Chargor which are, or are expressed to be, subject to the Security created by, or pursuant to, this Deed (and references to the Secured Assets shall include references to any part of them).

Secured Party: means any Finance Party, any Receiver or any Delegate.

Secured Liabilities: all present and future obligations and liabilities of each Obligor to any Secured Party from time to time, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, and whether or not a Secured Party was an original party to the relevant transaction and in whatever name or style together with all interest (including, without limitation, default interest) accruing in respect of those obligations or liabilities.

Security: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

Security Documents: this Deed, the First Debenture, the Second Debenture, the Charge Over Shares, the Composite Charge Over Shares, the Second Charge over Shares, the Security Trust Deed, each Security Document (as defined in the Facility Letter) and each other document designated as such by the Security Trustee.

Security Financial Collateral Arrangement: shall have the meaning given to that expression in the Financial Collateral Regulations.

Security Period: the period starting on the date of this Deed and ending on the date on which the Security Trustee is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

Security Trust Deed: means the security trust deed dated on or around the date of this Deed and made between, amongst others, (1) Barbican Investments Limited (as the Company) (2) Wesley Finance Limited (as the Original Beneficiary) and (3) AI Care Sec Limited (as the Security Agent).

Wesley Finance Limited: means Wesley Finance Limited, a company incorporated and registered in England with company number 09835108 whose registered office is at 1.02 Boat Shed 12 Exchange Quay, Salford, Manchester, England, M5 3EQ.

Wesley Limited: means Wesley Limited, a company incorporated and registered in Guernsey with company number 24657 whose registered office is at First Floor 3, College Street, St Peter

Port, Guernsey, GY1 2NY, and registered in England and Wales as an Overseas Entity with company number OE015839.

1.2 Interpretation

- 1.2.1 reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment or extension and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts;
- 1.2.2 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.3 unless the context otherwise requires, words in the singular include the plural and in the plural include the singular;
- 1.2.4 a reference to a clause or Schedule is to a clause of, or Schedule to, this Deed, unless the context otherwise requires;
- 1.2.5 a reference to continuing in relation to an Event of Default means an Event of Default which has not been remedied or waived;
- 1.2.6 a reference to **this Deed** (or any provision of it) or any other agreement or document referred to in this Deed shall be construed as a reference to this Deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this Deed) from time to time;
- 1.2.7 a reference to a person shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or any agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- 1.2.8 a reference to an amendment includes a novation, re-enactment, supplement, replacement, restatement, extension or variation (and amended shall be construed accordingly);
- 1.2.9 a reference to assets includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.10 a reference to an authorisation includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 1.2.11 a reference to a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- 1.2.12 a reference to determines or determined means, unless the contrary is indicated, a determination made at the discretion of the person making it;
- 1.2.13 a reference to a party shall include that party's successors, permitted transferees and permitted assigns and this Deed shall be binding on and enure to the benefit of the parties to this Deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.14 any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;

1.2.15 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;

1.2.16 a reference to writing or written includes fax but not email;

1.2.17 an obligation on a party not to do something includes an obligation not to allow that thing to be done; and

1.2.18 clause and schedule headings shall not affect the interpretation of this Deed.

1.3 Clawback

If the Security Trustee considers that an amount paid to a Secured Party in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of any Obligor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.4 Nature of security over real property

A reference in this Deed to a charge or mortgage of or over any Charged Property includes:

1.4.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of that Charged Property at any time;

1.4.2 the proceeds of the sale of any part of that Charged Property and any other monies paid or payable in respect of or in connection with that Charged Property;

1.4.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of any Chargor in respect of that Charged Property, and any monies paid or payable in respect of those covenants; and

1.4.4 all rights under any licence, agreement for sale or agreement for lease in respect of that Charged Property.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of each or any Facility Letter and of any side letters between any parties in relation to any Facility Letter are incorporated into this Deed.

1.6 Perpetuity period

If the rule against perpetuities applies to any trust created by this Deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

1.7 Schedules

The Schedules form part of this Deed and shall have effect as if set out in full in the body of this Deed. Any reference to this Deed includes the Schedules.

1.8 Security Trust

The Security Trustee holds the benefit of this Deed and this Security on trust for the Secured Parties.

2 COVENANT TO PAY

- 2.1 Each Chargor shall, on demand, pay or discharge the Secured Liabilities when they become due.
- 2.2 All the security created under this Deed:
 - 2.2.1 is created in favour of the Security Trustee;
 - 2.2.2 is created over present and future assets; and
 - 2.2.3 is security for the payment of all Secured Liabilities.

3 LIMIT OF LIABILITY

The total amount recoverable by the Security Trustee from the Chargors under this Deed shall be limited to the aggregate sum of £3,666,723 plus interest, costs and expenses.

4 GUARANTEE AND INDEMNITY

- 4.1 Each Chargor irrevocably and unconditionally jointly and severally:
 - 4.1.1 guarantees to the Lender punctual performance by each other Chargor of all that Chargor's obligations under the Finance Documents;
 - 4.1.2 guarantees to the Lender punctual performance by each Obligor of all that Obligor's obligations under the Finance Documents;
 - 4.1.3 undertakes with the Lender that whenever another Chargor or any Obligor does not pay any amount when due under or in connection with any Finance Document, it shall immediately on demand pay that amount as if it was the principal obligor; and
 - 4.1.4 agrees with the Lender that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Lender immediately on demand against any cost, loss or liability it incurs as a result of a Chargor or any Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due.

5 GRANT OF SECURITY

5.1 Legal mortgage

As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee charges to the Security Trustee, by way of legal mortgage, all estates or interests in any freehold, leasehold, or commonhold property now owned by it, including the real property (if any) specified in Schedule 2.

5.2 Fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee charges to the Security Trustee by way of fixed charge:

- 5.2.1 all present and future estates or interests of such Chargor in, or over any freehold or leasehold or commonhold property (other than any such property effectively mortgaged under clause 5.1);
- 5.2.2 the benefit of all other contracts, guarantees, appointments and warranties relating to each Charged Property and other documents to which such Chargor is a party or which

are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of any Charged Property or otherwise relating to any Charged Property (including, in each case, but without limitation, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them);

- 5.2.3 all its rights in the Rental Income and the benefit of any guarantee or security in respect of the Rental Income to the extent not effectively assigned under clause 5.3;
- 5.2.4 all licences, consents and authorisations (statutory or otherwise) held or required in connection with its business or the use of any Secured Asset, and all rights in connection with them;
- 5.2.5 all its present and future goodwill;
- 5.2.6 all its uncalled capital;
- 5.2.7 all the Equipment;
- 5.2.8 all the Intellectual Property;
- 5.2.9 all the Book Debts;
- 5.2.10 all the Investments;
- 5.2.11 all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account), together with all other rights and benefits accruing to or arising in connection with each account (including, but not limited to, entitlements to interest);
- 5.2.12 all monies from time to time standing to the credit of the Rent Account, together with all rights and benefits accruing to or arising in connection with the Rent Account (including, but not limited to, entitlements to interest);
- 5.2.13 all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy to the extent not effectively assigned under clause 5.3; and
- 5.2.14 all its rights in respect of each Relevant Agreement and all other agreements, instruments and rights relating to the Secured Assets to the extent not effectively assigned under clause 5.3.

5.3 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee assigns to the Security Trustee absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- 5.3.1 all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy;
- 5.3.2 the Rental Income and the benefit of any guarantee or security in respect of the Rental Income; and
- 5.3.3 the benefit of each Relevant Agreement and the benefit of all other agreements, instruments and rights relating to the Secured Assets.

5.4 Floating charge

As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee charges to the Security Trustee, by way of floating charge, all the undertaking, property, assets and rights of such Chargor at any time not effectively mortgaged, charged or assigned pursuant to clause 5.1 to clause 5.3 inclusive.

5.5 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 5.4.

5.6 Automatic crystallisation of floating charge

The floating charge created by clause 5.4 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

5.6.1 any Chargor:

- (a) creates, or attempts to create, without the prior written consent of the Security Trustee, a Security or a trust in favour of another person over all or any part of the Secured Assets (except as expressly permitted by the terms of this Deed or any Facility Letter); or
- (b) disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised);

5.6.2 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or

5.6.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of a Borrower or any Chargor.

5.7 Crystallisation of floating charge by notice

Except as provided in clause 5.9, the Security Trustee may, in its sole discretion, at any time and by written notice to a Chargor, convert the floating charge created under this Deed into a fixed charge as regards any part of the Secured Assets specified by the Security Trustee in that notice.

5.8 Assets acquired after any floating charge has crystallised

Any asset acquired by any Chargor after any crystallisation of the floating charge created under this Deed that, but for that crystallisation, would be subject to a floating charge under this Deed, shall (unless the Security Trustee confirms otherwise to such Chargor in writing) be charged to the Security Trustee by way of fixed charge.

5.9 Part A1 moratorium

5.9.1 Subject to clause 5.9.2 below, the floating charge created by clause 5.4 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.

5.9.2 Clause 5.9.1 above does not apply to any floating charge referred to in section A52(4) of Part A1 of the Insolvency Act 1986.

6 LIABILITY OF THE CHARGORS

6.1 Liability not discharged

The Chargors' liability under this Deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- 6.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Security Trustee that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- 6.1.2 the Security Trustee renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- 6.1.3 any other act or omission that, but for this clause 6.1, might have discharged, or otherwise prejudiced or affected, the liability of the Chargors or any Obligor.

6.2 Immediate recourse

Each Chargor waives any right it may have to require the Security Trustee to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this Deed against any Chargor.

7 REPRESENTATIONS AND WARRANTIES

7.1 Representations and warranties

Each Chargor makes the representations and warranties set out in this clause 7 to the Security Trustee.

7.2 No Event of Default

No Event of Default has occurred or is continuing, or is likely to result from the entry into, the performance of, or any transaction contemplated by this Deed.

7.3 Ownership of Secured Assets

The Chargors are the sole legal and beneficial owner of and has good, valid and marketable title to, the Secured Assets.

7.4 No Security

Except as expressly allowed under any Facility Letter or this Deed, the Secured Assets are free from any Security.

7.5 No adverse claims

No Chargor has received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.

7.6 No adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets.

7.7 No breach of laws

There is no breach of any law or regulation that materially and adversely affects the Secured Assets.

7.8 No interference in enjoyment

No facility necessary for the enjoyment and use of the Secured Assets is subject to terms entitling any person to terminate or curtail its use.

7.9 No overriding interests

Nothing has arisen, has been created or is subsisting, that would be an overriding interest in any Charged Property.

7.10 Avoidance of security

No Security expressed to be created under this Deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of a Borrower or Chargor or otherwise.

7.11 No Prohibitions or Breaches

There is no prohibition on assignment by any Chargor of any of its rights in any Insurance Policy or Relevant Agreement and the entry into this Deed by any Chargor does not, and will not, constitute a breach of any Insurance Policy, Relevant Agreement or any other policy, agreement, document, instrument or obligation binding on any Chargor or its assets.

7.12 Environmental compliance

Each Chargor has, at all times, complied in all material respects with all applicable Environmental Law and Environmental Licences.

7.13 Enforceable security

This Deed constitutes and will constitute the legal, valid, binding and enforceable obligations of each Chargor, and is and will continue to be effective security over all and every part of the Secured Assets in accordance with its terms.

7.14 Investments

7.14.1 The Investments are fully paid and are not subject to any option to purchase or similar rights.

7.14.2 No constitutional document of an issuer of an Investment, nor any other agreement:

- (a) restricts or inhibits any transfer of the Investments on creation or enforcement of the security constituted by this Deed; or
- (b) contains any rights of pre-emption in relation to the Investments.

7.14.3 Each Chargor has complied with all notices relating to all or any of the Investments received by it pursuant to sections 790D and 790E of the Companies Act 2006.

7.14.4 No warning notice has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Investments.

7.15 Times for making representations and warranties

The representations and warranties set out in clause 7.2 to clause 7.14 are made by each Chargor on the date of this Deed and the representations and warranties contained in clause 7.2 to clause 7.14 are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

8 GENERAL COVENANTS

8.1 Negative pledge and disposal restrictions

No Chargor shall at any time, except with the prior written consent of the Security Trustee:

- 8.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than any Security created by this Deed;
- 8.1.2 sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets (except, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge); or
- 8.1.3 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.

8.2 Preservation of Secured Assets

The Chargors shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Security Trustee, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this Deed.

8.3 Compliance with laws and regulations

- 8.3.1 The Chargors shall not, without the Security Trustee's prior written consent, use or permit the Secured Assets to be used in any way contrary to law.
- 8.3.2 Each Chargor shall:
 - (a) comply with the requirements of any laws and regulations relating to or affecting the Secured Assets or the use of them or any part of them;
 - (b) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset; and
 - (c) promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Secured Assets.

8.4 Enforcement of rights

Each Chargor shall:

- 8.4.1 procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with any Chargor and forming part of the Secured Assets of the covenants and other obligations imposed on any Chargor's counterparties (including each counterparty in respect of each insurer in respect of an Insurance Policy); and
- 8.4.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets that the Security Trustee may require from time to time.

8.5 Notice of misrepresentation and breaches

Each Chargor shall, promptly on becoming aware of any of the same, give the Security Trustee notice in writing of:

8.5.1 any representation or warranty set out in this Deed that is incorrect or misleading in any material respect when made or deemed to be repeated; and

8.5.2 any breach of any covenant set out in this Deed.

8.6 Title documents

Each Chargor shall, unless otherwise required by the Security Trustee, deposit with the Security Trustee and the Security Trustee shall, for the duration of this Deed be entitled to hold:

8.6.1 all deeds and documents of title relating to the Secured Assets that are in the possession or control of any Chargor (and if these are not within the possession or control of a Chargor, the Chargors undertake to obtain possession of all these deeds and documents of title);

8.6.2 all Insurance Policies and any other insurance policies relating to any of the Secured Assets that any Chargor is entitled to possess;

8.6.3 all deeds and documents of title (if any) relating to the Book Debts as the Security Trustee may specify from time to time; and

8.6.4 a copy of each Relevant Agreement, certified to be a true copy by either a director of a Chargor that is party to such Relevant Agreement or by such Chargor's solicitors.

8.7 Insurance

8.7.1 The Chargors shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Secured Assets against:

- (a) loss or damage by fire or terrorist acts, including any third party liability arising from such acts;
- (b) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Chargors; and
- (c) any other risk, perils and contingencies as the Security Trustee may reasonably require.

Any such insurance must be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Security Trustee, and must be for not less than the replacement value of the relevant Secured Assets.

8.7.2 The Chargors shall, if requested by the Security Trustee, produce to the Security Trustee each policy, certificate or cover note relating to the insurance required by clause 8.7.1 (or where, in the case of any leasehold property, that insurance is effected by the landlord, such evidence of insurance as such Chargor is entitled to obtain from the landlord under the terms of the relevant lease).

8.7.3 The Chargors shall, if requested by the Security Trustee, procure that a note of the Security Trustee's interest is endorsed upon each insurance policy maintained by it or any person on its behalf in accordance with clause 8.7.1 and that the terms of each such insurance policy require the insurer not to invalidate the policy as against the Security Trustee by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Security Trustee.

8.8 Insurance premiums

The Chargors shall:

- 8.8.1 promptly pay all premiums in respect of each insurance policy maintained by it in accordance with clause 8.7.1 and do all other things necessary to keep that policy in full force and effect; and
- 8.8.2 (if the Security Trustee so requires) produce to, or deposit with, the Security Trustee the receipts for all premiums and other payments necessary for effecting and keeping up each insurance policy maintained by it in accordance with clause 8.7.1.

8.9 No invalidation of insurance

The Chargors shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any insurance policy maintained by it in accordance with clause 8.7.1.

8.10 Proceeds of insurance policies

All monies received or receivable by any Chargor under any insurance policy maintained by it in accordance with clause 8.7.1 (including all monies received or receivable by it under any Insurance Policy) at any time (whether or not the security constituted by this Deed has become enforceable) shall:

- 8.10.1 immediately be paid to the Security Trustee;
- 8.10.2 if they are not paid directly to the Security Trustee by the insurers, be held by the Chargors as trustee of the same for the benefit of the Security Trustee (and the Chargors shall account for them to the Security Trustee); and
- 8.10.3 at the option of the Security Trustee, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities.

8.11 Notices To Be Given By The Chargors

The Chargors shall:

- 8.11.1 unless otherwise agreed by the Security Trustee, on the execution of this Deed and as so requested by the Security Trustee from time to time:
 - (a) give notice to each counterparty to a Relevant Agreement in the form set out in Part 1 of Schedule 3; and
 - (b) procure that each counterparty provides to the Security Trustee promptly an acknowledgement of the notice in the form set out in Part 2 of Schedule 3;
- 8.11.2 unless otherwise agreed by the Security Trustee, on the execution of this Deed and as so requested by the Security Trustee from time to time:
 - (a) give notice to each insurer under an Insurance Policy in the form set out in Part 1 of Schedule 4; and
 - (b) procure that each insurer provides to the Security Trustee promptly an acknowledgement of the notice in the form set out in Part 2 of Schedule 4; and
- 8.11.3 unless otherwise agreed by the Security Trustee, on the execution of this Deed and as so requested by the Security Trustee from time to time:

- (a) give notice to each bank, financial institution or other person (other than the Security Trustee) with whom any Chargor holds an account (including each Designated Account) in the form set out in Part 1 of Schedule 4; and
- (b) procure that each such bank, financial institution or other person provides to the Security Trustee promptly an acknowledgement of the notice in the form of Part 2 of Schedule 4.

8.12 Information

The Chargors shall:

- 8.12.1 give the Security Trustee such information concerning the location, condition, use and operation of the Secured Assets as the Security Trustee may require;
- 8.12.2 permit any persons designated by the Security Trustee and any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and
- 8.12.3 promptly notify the Security Trustee in writing of any action, claim, notice or demand made by or against it in connection with any Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Chargors' proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Security Trustee's prior approval, implement those proposals at their own expense.

8.13 Payment of outgoings

The Chargors shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, on demand, produce evidence of payment to the Security Trustee.

8.14 Appointment of accountants

8.14.1 The Chargors shall:

- (a) at their own cost, if at any time so required by the Security Trustee, appoint an accountant or firm of accountants nominated by the Security Trustee to investigate the financial affairs of any Chargor and report to the Security Trustee; and
- (b) co-operate fully with any accountants so appointed and immediately provide those accountants with all information requested.

8.14.2 The Chargors authorise the Security Trustee to make an appointment as it shall think fit at any time, without further authority from any Chargor. In every case, the Chargors shall pay, or reimburse the Security Trustee for, the fees and expenses of those accountants.

9 PROPERTY COVENANTS

9.1 Maintenance

The Chargors shall keep all premises and all fixtures and fittings on each Charged Property in good and substantial repair and condition.

9.2 Preservation of Charged Property, fixtures and Equipment

The Chargors shall not, without the prior written consent of the Security Trustee:

- 9.2.1 pull down or remove the whole, or any part of, any building forming part of any Charged Property or permit the same to occur;
- 9.2.2 make or permit any alterations to any Charged Property, or sever or remove, or permit to be severed or removed, any of its fixtures or fittings; or
- 9.2.3 remove or make any alterations to any of the Equipment belonging to, or in use by, the any Chargor on any Charged Property (except to effect necessary repairs or replace them with new or improved models or substitutes).

9.3 Conduct of business on Charged Properties

Each Chargor shall carry on its trade and business on those parts (if any) of the Charged Properties as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in that trade or business.

9.4 Notices or claims relating to the Property

9.4.1 The Chargors shall:

- (a) give full particulars to the Security Trustee of any notice, order, direction, designation, resolution or proposal given or made by any planning authority or other public or local body or authority (**Notice**) that specifically applies to any Charged Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and
- (b) (if the Security Trustee so requires) immediately, and at the cost of the Chargors, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Security Trustee in making, any objections or representations in respect of that Notice that the Security Trustee may desire.

9.4.2 The Chargors shall give full particulars to the Security Trustee of any claim, notice or other communication served on it in respect of any notification, suspension or revocation of any Environmental Licence of any alleged breach of any Environmental Law, in each case relating to any Charged Property.

9.5 Compliance with covenants and payment of rent

The Chargors shall:

- 9.5.1 observe and perform all covenants, stipulations and conditions to which each Charged Property, or the use of it, is or may be subjected, and (if the Security Trustee so requires) produce to the Security Trustee evidence sufficient to satisfy the Security Trustee that those covenants, stipulations and conditions have been observed and performed;
- 9.5.2 diligently enforce all covenants, stipulations and conditions benefiting each Charged Property and shall not (and shall not agree to) waive, release or vary any of the same; and
- 9.5.3 (without prejudice to the generality of the foregoing) where a Charged Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time, and perform and observe all the tenant's covenants and conditions.

9.6 Payment of rent and outgoings

The Chargors shall:

- 9.6.1 where a Charged Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time; and
- 9.6.2 pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed on each Charged Property or on its occupier.

9.7 Registration restrictions

- 9.7.1 If the title to any Charged Property is not registered at the Land Registry, each Chargor shall procure that no person (other than itself) shall be registered under the Land Registration Act 2002 as proprietor of all or any part of any Charged Property without the prior written consent of the Security Trustee.
- 9.7.2 Whether or not title to any Charged Property is registered at the Land Registry, if any caution against registration or any notice (whether agreed or unilateral) is registered against a Chargor's title to any Charged Property, the Chargors shall immediately provide the Security Trustee with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this Deed, the Chargors shall immediately, and at their own expense, take such steps as the Security Trustee may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.
- 9.7.3 The Chargors shall be liable for the costs and expenses of the Security Trustee in lodging cautions against the registration of the title to the whole or any part of any Charged Property from time to time.

9.8 Development restrictions

The Chargors shall not, without the prior written consent of the Security Trustee:

- 9.8.1 make or, insofar as it is able, permit others to make any application for planning permission or development consent in respect of any Charged Property; or
- 9.8.2 carry out, or permit, or suffer to be carried out on any Property any development as defined in the Town and Country Planning Act 1990 and the Planning Act 2008, or change or permit or suffer to be changed the use of any Charged Property.

9.9 Environment

The Chargors shall in respect of each Charged Property:

- 9.9.1 comply with all the requirements of Environmental Law both in the conduct of its general business and in the management, possession or occupation of each Property; and
- 9.9.2 obtain and comply with all Environmental Licences.

9.10 No restrictive obligations

The Chargors shall not, without the prior written consent of the Security Trustee, enter into any onerous or restrictive obligations affecting the whole or any part of any Charged Property, or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Charged Property.

9.11 Proprietary rights

The Chargors shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of any Charged Property without the prior written consent of the Security Trustee.

9.12 Inspection

The Chargors shall permit the Security Trustee, any Receiver and any person appointed by either of them to enter on and inspect any Charged Property on reasonable prior notice.

9.13 Property information

The Chargors shall inform the Security Trustee promptly of any acquisition by any Chargor of, or contract made by any Chargor to acquire, any freehold, leasehold or other interest in any property.

9.14 VAT option to tax

The Chargors shall not, without the prior written consent of the Security Trustee:

9.14.1 exercise any VAT option to tax in relation to any Charged Property; or

9.14.2 revoke any VAT option to tax exercised, and disclosed to the Security Trustee, before the date of this Deed.

9.15 Registration at the Land Registry

The Chargors consent to an application being made by the Security Trustee to the Land Registrar for the following restriction in Form P to be registered against its title to each Charged Property:

"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 [] 20[...] in favour of [.....] referred to in the charges register or their conveyancer."

9.16 Further advances

The Security Trustee confirms on behalf of the Lenders (without personal liability) that each Lender will perform its obligations to make advances under each or any Facility Letter or otherwise (including any obligation to make available further advances).

9.17 Leases and licences affecting the Charged Property

The Chargors shall not, without the prior written consent of the Security Trustee:

9.17.1 grant any licence or tenancy affecting the whole or any part of any Charged Property, or exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925 (or agree to grant any such licence or tenancy, or agree to exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925);

9.17.2 in any other way dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of any Charged Property (or agree to dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Property);

9.17.3 let any person into occupation, or share occupation, of the whole or any part of any Charged Property; or

9.17.4 grant any consent or licence under any lease or licence affecting any Charged Property.

10 INVESTMENTS COVENANTS

10.1 Deposit of title documents

10.1.1 The Chargors shall:

- (a) on the execution of this Deed, deposit with the Security Trustee, or as the Security Trustee may direct, all stock or share certificates and other documents of title or evidence of ownership relating to any Investments owned by any Chargor at that time; and
- (b) on the purchase or acquisition by it of Investments after the date of this Deed, deposit with the Security Trustee, or as the Security Trustee may direct, all stock or share certificates and other documents of title or evidence of ownership relating to those Investments.

10.1.2 At the same time as depositing documents with the Security Trustee, or as the Security Trustee may direct, in accordance with clause 10.1.1, the Chargors shall also deposit with the Security Trustee, or as the Security Trustee may direct:

- (a) all stock transfer forms relating to the relevant Investments duly completed and executed by or on behalf of any Chargor, but with the name of the transferee, the consideration and the date left blank; and
- (b) any other documents (in each case duly completed and executed by or on behalf of any Chargor) that the Security Trustee may request to enable it or any of its nominees, or any purchaser or transferee, to be registered as the owner of, or otherwise obtain a legal title to, or to perfect its security interest in any of the relevant Investments,

so that the Security Trustee may, at any time and without notice to any Chargor, complete and present those stock transfer forms and other documents to the issuer of the Investments for registration.

10.2 Nominations

10.2.1 The Chargors shall terminate with immediate effect all nominations it may have made (including, without limitation, any nomination made under section 145 or section 146 of the Companies Act 2006) in respect of any Investments and, pending that termination, procure that any person so nominated:

- (a) does not exercise any rights in respect of any Investments without the prior written approval of the Security Trustee; and
- (b) immediately on receipt by it, forward to the Security Trustee all communications or other information received by it in respect of any Investments for which it has been so nominated.

10.2.2 The Chargors shall not, during the Security Period, exercise any rights (including, without limitation, any rights under sections 145 and 146 of the Companies Act 2006) to nominate any person in respect of any of the Investments.

10.3 Additional registration obligations

The Chargors shall:

- 10.3.1 obtain all consents, waivers, approvals and permissions that are necessary, under the articles of association (or otherwise) of an issuer of any Investments, for the transfer of the Investments to the Security Trustee or its nominee, or to a purchaser on enforcement of the security constituted by this Deed; and
- 10.3.2 procure the amendment of the share transfer provisions (including, but not limited to, deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of each issuer of the Investments in any manner that the Security Trustee may require in order to permit the transfer of the Investments to the Security Trustee or its nominee, or to a purchaser on enforcement of the security constituted by this Deed.

10.4 Dividends and voting rights before enforcement

- 10.4.1 Before the security constituted by this Deed becomes enforceable, the Chargors may retain and apply for their own use all dividends, interest and other monies paid or payable in respect of the Investments and, if any are paid or payable to the Security Trustee or any of its nominees, the Security Trustee will hold all those dividends, interest and other monies received by it for the Chargors and will pay them to the Chargors promptly on request.
- 10.4.2 Before the security constituted by this Deed becomes enforceable, the Chargors may exercise all voting and other rights and powers in respect of the Investments or, if any of the same are exercisable by the Security Trustee of any of their nominees, to direct in writing the exercise of those voting and other rights and powers provided that:
 - (a) they shall not do so in any way that would breach any provision of each or any Facility Letter or this Deed or for any purpose inconsistent with each or any Facility Letter or this Deed; and
 - (b) the exercise of, or the failure to exercise, those voting rights or other rights and powers would not, in the Security Trustee's opinion, have an adverse effect on the value of the Investments or otherwise prejudice the Security Trustee's security under this Deed.
- 10.4.3 The Chargors shall jointly and severally indemnify the Security Trustee against any loss or liability incurred by the Security Trustee (or its nominee) as a consequence of the Security Trustee (or its nominee) acting in respect of the Investments at the direction of any Chargor.
- 10.4.4 The Security Trustee shall not, by exercising or not exercising any voting rights or otherwise, be construed as permitting or agreeing to any variation or other change in the rights attaching to or conferred by any of the Investments that the Security Trustee considers prejudicial to, or impairing the value of, the security created by this Deed.

10.5 Dividends and voting rights after enforcement

After the security constituted by this Deed has become enforceable:

- 10.5.1 all dividends and other distributions paid in respect of the Investments and received by any Chargor shall be held by such Chargor on trust for the Security Trustee and immediately paid into a Designated Account or, if received by the Security Trustee, may be retained by the Security Trustee in accordance with clause 22.1; and
- 10.5.2 all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, the Security Trustee and each Chargor shall, and shall procure

that its nominees shall, comply with any directions the Security Trustee may give, in its absolute discretion, concerning the exercise of those rights and powers.

10.6 Calls on Investments

Notwithstanding the security created by this Deed, each Chargor shall promptly pay all calls, instalments and other payments that may be or become due and payable in respect of all or any of the Investments. The Chargors acknowledge that the Security Trustee shall not be under any liability in respect of any such calls, instalments or other payments.

10.7 No alteration of constitutional documents or rights attaching to Investments

The Chargors shall not, without the prior written consent of the Security Trustee, amend, or agree to the amendment of:

10.7.1 the memorandum or articles of association, or any other constitutional documents, of any issuer of the Investments that is not a public company; or

10.7.2 the rights or liabilities attaching to or conferred by all or any of the Investments.

10.8 Preservation of Investments

The Chargors shall ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that any issuer of any of the Investments (that is not a public company) shall not:

10.8.1 consolidate or subdivide any of the Investments, or reduce or re-organise its share capital in any way;

10.8.2 issue any new shares or stock; or

10.8.3 refuse to register any transfer of any of its Investments that may be lodged for registration by, or on behalf of, the Security Trustee or any Chargor in accordance with this Deed.

10.9 Investments information

The Chargors shall, promptly following receipt, send to the Security Trustee copies of any notice, circular, report, accounts and any other document received by it that relates to the Investments.

10.10 Compliance With Requests For Information

The Chargors shall promptly send a copy to the Security Trustee of, and comply with, all requests for information which is within its knowledge and which are made under any law or regulation or any similar provision in any articles of association or other constitutional document, or by any listing or other authority, relating to any of the Investments. If it fails to do so, the Security Trustee may elect to provide such information as it may have on behalf of any Chargor.

11 EQUIPMENT COVENANTS

11.1 Maintenance of Equipment

The Chargors shall:

11.1.1 maintain the Equipment in good and serviceable condition (except for expected fair wear and tear) in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules;

11.1.2 at their own expense, renew and replace any parts of the Equipment when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value; and

11.1.3 not permit any Equipment to be:

- (a) used or handled other than by properly qualified and trained persons; or
- (b) overloaded or used for any purpose for which it is not designed or reasonably suitable.

11.2 Payment of Equipment taxes

The Chargors shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and, on demand, produce evidence of such payment to the Security Trustee.

11.3 Notice of charge

The Chargors:

11.3.1 shall, if so requested by the Security Trustee, affix to and maintain on each item of Equipment in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [DESCRIBE ITEM] and all additions to it and ancillary equipment are subject to a fixed charge dated [DATE] in favour of [SECURITY TRUSTEE]"

11.3.2 shall not, and shall not permit any person to, conceal, obscure, alter or remove any plate affixed in accordance with clause 11.3.1.

12 BOOK DEBTS COVENANTS

12.1 Realising Book Debts

12.1.1 The Chargors shall as an agent for the Security Trustee, collect in and realise all Book Debts, pay the proceeds into a Designated Account immediately on receipt and, pending that payment, hold those proceeds in trust for the Security Trustee;

12.1.2 The Chargors shall not, without the prior written consent of the Security Trustee, withdraw any amounts standing to the credit of any Designated Account; and

12.1.3 The Chargors shall, if called on to do so by the Security Trustee, execute a legal assignment of the Book Debts to the Security Trustee on such terms as the Security Trustee may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

12.2 Preservation of Book Debts

The Chargors shall not (except as provided by clause 12.1 or with the prior written consent of the Security Trustee) release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.

13 RELEVANT AGREEMENTS COVENANTS

13.1 Relevant Agreements

13.1.1 The Chargors shall, unless the Security Trustee agrees otherwise in writing, comply with the terms of each Relevant Agreement and any other document, agreement or arrangement comprising the Secured Assets.

13.1.2 The Chargors shall not, unless the Security Trustee agrees otherwise in writing:

- (a) amend or vary or agree to any change in, or waive any requirement of or its rights under;
- (b) settle, compromise, terminate, rescind or discharge (except by performance); or
- (c) abandon, waive, dismiss, release or discharge any action, claim or proceedings against any counterparty to a Relevant Agreement or other person in connection with,

any Relevant Agreement or any other document, agreement or arrangement comprising the Secured Assets.

14 INTELLECTUAL PROPERTY COVENANTS

14.1 Preservation of rights

The Chargors shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including (without limitation) by observing all covenants and stipulations relating to those rights, and by paying all applicable renewal fees, licence fees and other outgoings.

14.2 Registration of Intellectual Property

The Chargors shall use all reasonable efforts to register applications for the registration of any Intellectual Property and shall keep the Security Trustee informed of all matters relating to each such registration.

14.3 Maintenance of Intellectual Property

The Chargors shall not permit any Intellectual Property to be abandoned, cancelled or to lapse.

15 RENTAL INCOME COVENANTS

15.1 Collection of and Dealings with Rental Income

15.1.1 Except as otherwise permitted in any Facility Letter, the Chargors shall not deal with the Rental Income except by getting it in and realising it in the ordinary and usual course of its business and shall, immediately on receipt, pay all Rental Income into the Rent Account or into such other account as the Security Trustee may direct from time to time.

15.1.2 The Chargors shall, pending that payment in to the Rent Account or other account, hold all Rental Income on trust for the Security Trustee.

15.1.3 The Chargors agree with the Security Trustee that any monies received by the Security Trustee under clause 15.1.1 shall not constitute the Security Trustee as mortgagee in possession of the Property.

15.1.4 The Chargors agrees with the Security Trustee that it shall not be entitled to receive, utilise, transfer or withdraw any credit balance from time to time on the Rent Account except with the prior written consent of the Security Trustee.

15.2 Notice of Assignment of Rental Income

The Chargors shall, promptly following the occurrence of an Event of Default, give notice to the relevant tenant, guarantor or surety of the assignment under clause 5.3.2 of any Chargor's rights and interest to the Rental Income and each guarantee or security in respect of the Rental Income and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Security Trustee.

16 POWERS OF THE SECURITY TRUSTEE

16.1 Power to remedy

16.1.1 The Security Trustee shall be entitled (but shall not be obliged) to remedy, at any time, a breach by any Chargor of any of its obligations contained in this Deed.

16.1.2 The Chargors irrevocably authorise the Security Trustee and its agents to do all things that are necessary or desirable for that purpose.

16.1.3 Any monies expended by the Security Trustee in remedying a breach by any Chargor of its obligations contained in this Deed shall be reimbursed by the Chargors to the Security Trustee on a full indemnity basis and shall carry interest in accordance with clause 23.1.

16.2 Exercise of rights

16.2.1 The rights of the Security Trustee under clause 16.1 are without prejudice to any other rights of the Security Trustee under this Deed.

16.2.2 The exercise of any rights of the Security Trustee under this Deed shall not make the Security Trustee liable to account as a mortgagee in possession.

16.3 Power to dispose of chattels

16.3.1 At any time after the security constituted by this Deed has become enforceable, the Security Trustee or any Receiver may, as agent for each Chargor, dispose of any chattels or produce found on any Charged Property.

16.3.2 Without prejudice to any obligation to account for the proceeds of any disposal made under clause 16.3.1, the Chargors shall jointly and severally indemnify the Security Trustee and any Receiver against any liability arising from any disposal made under clause 16.3.1.

16.4 Security Trustee has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may, after the security constituted by this Deed has become enforceable, be exercised by the Security Trustee in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

16.5 Conversion of currency

16.5.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Security Trustee may convert any monies received, recovered or realised by it under this Deed (including the proceeds of any previous conversion under this clause 16.5) from their existing currencies of denomination into any other currencies of denomination that the Security Trustee may think fit.

16.5.2 Any such conversion shall be effected at the Barclays Bank plc then prevailing spot selling rate of exchange for such other currency against the existing currency.

- 16.5.3 Each reference in this clause 16.5 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

16.6 New accounts

- 16.6.1 If any Secured Party receives, or is deemed to have received, notice of any subsequent Security, or other interest, affecting all or part of the Secured Assets, a Secured Party may open a new account for the Chargors or a Chargor in that Secured Party's books. Without prejudice to the Security Trustee's right to combine accounts, no money paid to the credit of any Chargor in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- 16.6.2 If a Secured Party does not open a new account immediately on receipt of the notice, or deemed notice, under clause 16.6.1, then, unless that Secured Party gives express written notice to the contrary to the Chargors, all payments made by any Chargor to that Secured Party shall be treated as having been credited to a new account of such Chargor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by that Secured Party.

16.7 Indulgence

The Security Trustee may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this Deed (whether or not any such person is jointly liable with any Chargor) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this Deed or to the liability of the Chargors for the Secured Liabilities.

16.8 Appointment of an Administrator

- 16.8.1 The Security Trustee may, without notice to the Chargors, appoint any one or more persons to be an Administrator of any Chargor pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this Deed becomes enforceable.
- 16.8.2 Any appointment under this clause 16.8 shall:
- (a) be in writing signed by a duly authorised signatory of the Security Trustee; and
 - (b) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
- 16.8.3 The Security Trustee may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 16.8 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

17 WHEN SECURITY BECOMES ENFORCEABLE

17.1 Security becomes enforceable

The security constituted by this Deed shall become immediately enforceable at any time after a Secured Party has demanded payment of the Secured Liabilities or if an Event of Default occurs which is continuing.

17.2 Discretion

After the security constituted by this Deed has become enforceable, the Security Trustee may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

18 ENFORCEMENT OF SECURITY

18.1 Enforcement powers

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

18.1.2 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) shall, be immediately exercisable at any time after the security constituted by this Deed has become enforceable under clause 17.1.

18.1.3 Section 103 of the LPA 1925 does not apply to the security constituted by this Deed.

18.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Security Trustee and any Receiver, at any time after the security constituted by this Deed has become enforceable, whether in its own name or in that of any Chargor, to:

18.2.1 grant a lease or agreement for lease;

18.2.2 accept surrenders of leases; or

18.2.3 grant any option of the whole or any part of the Secured Assets with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of any Chargor, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Security Trustee or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

18.3 Access on enforcement

18.3.1 At any time after the Security Trustee has demanded payment of the Secured Liabilities or if any Chargor defaults in the performance of its obligations under this Deed or any Facility Letter, the Chargors will allow the Security Trustee or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Security Trustee or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to any Chargor for, or by any reason of, that entry.

18.3.2 At all times, each Chargor must use its best endeavours to allow the Security Trustee or its Receiver access to any premises for the purpose of clause 18.3.1 (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

18.4 Prior Security

18.4.1 At any time after the security constituted by this Deed has become enforceable, or after any powers conferred by any Security having priority to this Deed shall have become exercisable, the Security Trustee may:

- (a) redeem any prior Security over any Secured Asset;
- (b) procure the transfer of that Security to itself; and
- (c) settle and pass any account of the holder of any prior Security,

any accounts so settled and passed shall, in the absence of any manifest error, be conclusive and binding on the Chargors.

18.4.2 The Chargors shall pay to the Security Trustee immediately on demand all principal, interest, costs charges and expenses of and incidental to, any such redemption or transfer, and such amounts shall be secured as part of the Secured Liabilities.

18.5 Protection of third parties

No purchaser, mortgagee or other person dealing with the Security Trustee, any Receiver or Delegate shall be concerned to enquire:

- 18.5.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- 18.5.2 whether any power the Security Trustee, a Receiver or Delegate is purporting to exercise has become exercisable or is being properly exercised; or
- 18.5.3 how any money paid to the Security Trustee, any Receiver or any Delegate is to be applied.

18.6 Privileges

Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

18.7 No liability as mortgagee in possession

Neither the Security Trustee, nor any Receiver or any Delegate shall be liable, by reason of entering into possession of a Secured Asset or for any other reason, to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any act or default or omission for which a mortgagee in possession might be liable.

18.8 Relinquishing possession

If the Security Trustee, any Receiver or Delegate enters into or takes possession of a Secured Asset, it may at any time relinquish possession.

18.9 Conclusive discharge to purchasers

The receipt of the Security Trustee, or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Security Trustee, and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it thinks fit.

18.10 Right of appropriation

18.10.1 To the extent that:

- (a) the Secured Assets constitute Financial Collateral; and

- (b) this Deed and the obligations of the Chargors under it constitute a Security Financial Collateral Arrangement,

the Security Trustee shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Liabilities in any order that the Security Trustee may, in its absolute discretion, determine.

18.10.2 The value of any Secured Assets appropriated in accordance with this clause shall be:

- (a) in the case of cash, the amount standing to the credit of each of the Chargors' accounts with any bank, financial institution or other person, together with any accrued but unpaid interest, at the time the right of appropriation is exercised; and
- (b) in the case of Investments, the market price of those Investments at the time the right of appropriation is exercised determined by the Security Trustee by reference to a recognised market index or determined by any other method that the Security Trustee may select (including independent valuation).

18.10.3 The Chargors agree that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

19 RECEIVER

19.1 Appointment

19.1.1 At any time after the security constituted by this Deed has become enforceable, or at the request of any Chargor, the Security Trustee may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.

19.1.2 The Security Trustee may not appoint a Receiver solely as a result of the obtaining of a moratorium (or as a result of anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986 other than in respect of a floating charge referred to in section A52(4) of Part A1 of the Insolvency Act 1986.

19.2 Removal

The Security Trustee may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

19.3 Remuneration

The Security Trustee may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this Deed, to the extent not otherwise discharged.

19.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Security Trustee under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

19.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this Deed or by statute) shall be, and remain, exercisable by the Security Trustee despite any prior appointment in respect of all or any part of the Secured Assets.

19.6 Agent of the Chargors

19.6.1 Any Receiver appointed by the Security Trustee under this Deed shall be the agent of each Chargor and the Chargors shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until such Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Security Trustee.

19.6.2 No Secured Party will incur any liability (either to a Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

20 POWERS OF RECEIVER

20.1 General

20.1.1 Any Receiver appointed by the Security Trustee under this Deed shall, in addition to the rights, powers and discretions conferred on it by statute, have the rights, powers and discretions set out in clause 20.2 to clause 20.23.

20.1.2 A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether it is an administrative receiver or not.

20.1.3 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

20.1.4 Any exercise by a Receiver of any of the powers given by clause 20 may be on behalf of any Chargor, the directors of any Chargor or itself.

20.2 Repair and develop Charged Properties

A Receiver may undertake or complete any works of repair, alteration, building or development on the Charged Properties and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

20.3 Surrender leases

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting any Secured Assets on any terms, and subject to any conditions, that it thinks fit.

20.4 Employ personnel and advisors

A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that it thinks fit. A Receiver may discharge any such person or any such person appointed by a Chargor.

20.5 Make VAT elections

A Receiver may make, exercise or revoke any value added tax option to tax as it thinks fit.

20.6 Remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by it) that the Security Trustee may prescribe or agree with it.

20.7 Realise Secured Assets

A Receiver may take immediate possession of, get in and realise any Secured Assets.

20.8 Manage or reconstruct the Chargors' business

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of any Chargor.

20.9 Dispose of Secured Assets

A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which it is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as it thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.

20.10 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings from any Charged Property without the consent of any Chargor.

20.11 Sell Book Debts

A Receiver may sell and assign all or any of the Book Debts in respect of which it is appointed in any manner, and generally on any terms and conditions, that it thinks fit.

20.12 Valid receipts

A Receiver may give valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.

20.13 Make settlements

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who claims to be a creditor of any Chargor or relating in any way to any Secured Asset.

20.14 Bring proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as it thinks fit.

20.15 Improve the Equipment

A Receiver may make substitutions of, or improvements to, the Equipment as it may think expedient.

20.16 Make calls on Chargor members

A Receiver may make calls conditionally or unconditionally on the members of a Chargor in respect of uncalled capital with (for that purpose and for the purpose of enforcing payments of any calls so made) the same powers as are conferred by the articles of association of any Chargor on its directors in respect of calls authorised to be made by them.

20.17 Insure

A Receiver may, if it thinks fit, but without prejudice to the indemnity in clause 23, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by any Chargor under this Deed.

20.18 Subsidiaries

A Receiver may form a subsidiary of a Chargor and transfer to that subsidiary any Secured Asset.

20.19 Borrow

A Receiver may, for whatever purpose it thinks fit raise and money borrowed either unsecured or on the security of all or any of the Secured Assets in respect of which it is appointed on any terms that it thinks fit (including, if the Security Trustee consents, terms under which that security ranks in priority to this Deed).

20.20 Redeem prior Security

A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Chargors, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

20.21 Delegation

A Receiver may delegate its powers in accordance with this Deed.

20.22 Absolute beneficial owner

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights it would be capable of exercising, and do all those acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Secured Assets or any part of the Secured Assets.

20.23 Incidental powers

A Receiver may do any other acts and things:

20.23.1 that it may consider desirable or necessary for realising any of the Secured Assets;

20.23.2 that it may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this Deed or law; or

20.23.3 that it lawfully may or can do as agent for a Chargor.

21 DELEGATION

21.1 Delegation

The Security Trustee or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney granted under clause 25.1).

21.2 Terms

The Security Trustee and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit in the interests of the Secured Parties.

21.3 Liability

Neither the Security Trustee nor any Receiver shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

22 APPLICATION OF PROCEEDS

22.1 Order of application of proceeds

All monies received or recovered by the Security Trustee, a Receiver or a Delegate under this Deed or in connection with the realisation or enforcement of all or part of, the security constituted by this Deed has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to any Secured Party's right to recover shortfall from any Chargor):

22.1.1 in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Security Trustee (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this Deed, and of all remuneration due to any Receiver under or in connection with this Deed;

22.1.2 in or towards payment of the Secured Liabilities in any order and manner that the Security Trustee determines; and

22.1.3 in payment of the surplus (if any) to such Chargor or other person entitled to it.

22.2 Appropriation

Neither the Security Trustee, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

22.3 Suspense account

All monies received by the Security Trustee, a Receiver or a Delegate under this Deed:

22.3.1 may, at the discretion of the Security Trustee, Receiver or Delegate, be credited to any suspense or securities realised account;

22.3.2 shall bear interest, if any, at the rate agreed in writing between the Security Trustee and the Chargors; and

22.3.3 may be held in that account for so long as the Security Trustee, Receiver or Delegate thinks fit.

23 COSTS AND INDEMNITY

23.1 Costs

The Chargors shall, promptly on demand, pay to, or reimburse, the Security Trustee and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by any Secured Party in connection with:

23.1.1 this Deed or the Secured Assets;

23.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any Secured Party's rights under this Deed; or

23.1.3 taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment, liquidation, winding up or administration of any Chargor) at the rate and in the manner specified in any Facility Letter.

23.2 Indemnity

The Chargors shall jointly and severally indemnify each Secured Party, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

23.2.1 the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Deed or by law in respect of the Secured Assets;

23.2.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Deed; or

23.2.3 any default or delay by any Chargor in performing any of its obligations under this Deed.

Any past or present employee or agent may enforce the terms of this clause 23.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

24 FURTHER ASSURANCE

24.1 Further assurance

The Chargors shall promptly, at their own expense, take whatever action the Security Trustee or any Receiver may require for:

24.1.1 creating, perfecting or protecting the security created or intended to be created by this Deed;

24.1.2 facilitating the realisation of any Secured Asset; or

24.1.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Security Trustee or any Receiver in respect of any Secured Asset,

including, without limitation (if the Security Trustee or Receiver thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of

(or intended to form part of) the Secured Assets (whether to the Security Trustee or to its nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case the Security Trustee may consider necessary or desirable.

25 POWER OF ATTORNEY

25.1 Appointment of attorneys

By way of security, each Chargor irrevocably appoint the Security Trustee, every Receiver and every Delegate separately to be its attorney and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

25.1.1 any Chargor is required to execute and do under this Deed; or

25.1.2 any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Security Trustee, any Receiver or any Delegate.

25.2 Ratification of acts of attorneys

The Chargors ratify and confirm, and agree to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 25.1.

26 RELEASE

26.1 Subject to clause 33.3, at the end of the Security Period, the Security Trustee shall, at the request and cost of the Chargors, take whatever action is necessary to:

26.1.1 release the Secured Assets from the security constituted by this Deed; and

26.1.2 reassign the Secured Assets to the Chargors.

27 ASSIGNMENT AND TRANSFER

27.1 Assignment by Security Trustee

27.1.1 At any time, without the consent of any Chargor, the Security Trustee may assign or transfer any or all of its rights and obligations under this Deed.

27.1.2 The Security Trustee may disclose to any actual or proposed assignee or transferee any information in its possession that relates to any Chargor, the Secured Assets and this Deed that the Security Trustee considers appropriate.

27.2 Assignment by Chargors

No Chargor may assign any of its rights, or transfer any of its rights or obligations, under this Deed.

28 SET-OFF

28.1 Secured Party's right of set-off

Each Secured Party may at any time set off any liability of any Chargor to that Secured Party against any liability of that Secured Party to any Chargor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this Deed. If the liabilities to be set off are expressed in different currencies, that Secured Party may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by a Secured

Party of its rights under this clause 28 not limit or affect any other rights or remedies available to it under this Deed or otherwise.

28.2 No obligation to set off

No Secured Party is obliged to exercise its rights under clause 28.1. If, however, it does exercise those rights it must promptly notify the Chargors of the set-off that has been made.

28.3 Exclusion of Chargor's right of set-off

All payments made by any Chargor to a Secured Party under this Deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

29 AMENDMENTS, WAIVERS AND CONSENTS

29.1 Amendments

No amendment of this Deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

29.2 Waivers and consents

29.2.1 A waiver of any right or remedy under this Deed or by law, or any consent given under this Deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

29.2.2 A failure or delay by a party to exercise, any right or remedy provided under this Deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this Deed. No single or partial exercise of any right or remedy provided under this Deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this Deed by the Security Trustee shall be effective unless it is in writing.

29.3 Rights and remedies

The rights and remedies provided under this Deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

30 SEVERANCE

If any provision (or part of a provision) of this Deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this Deed.

31 COUNTERPARTS

This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.

32 THIRD PARTY RIGHTS

32.1 Third party rights

32.1.1 Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this Deed.

32.1.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

32.1.3 Any Receiver or Delegate may, subject to this clause 32 and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it.

33 FURTHER PROVISIONS

33.1 Independent security

The security constituted by this Deed shall be in addition to, and independent of, any other security or guarantee that the Security Trustee may hold for any of the Secured Liabilities at any time. No prior security held by the Security Trustee over the whole or any part of the Secured Assets shall merge in the security created by this Deed.

33.2 Continuing security

The security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Security Trustee discharges this Deed in writing.

33.3 Discharge conditional

Any release, discharge or settlement between any Chargor and the Security Trustee shall be deemed conditional on no payment or security received by the Security Trustee in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

33.3.1 the Security Trustee or its nominee may retain this Deed and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Security Trustee deems necessary to provide the Security Trustee with security against any such avoidance, reduction or order for refund; and

33.3.2 the Security Trustee may recover the value or amount of such security or payment from any Chargor subsequently as if the release, discharge or settlement had not occurred.

33.4 Certificates

A certificate or determination by the Security Trustee as to any amount for the time being due to it from any Chargor under this Deed and any Facility Letter shall be, in the absence of any manifest error, conclusive evidence of the amount due.

33.5 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this Deed.

34 NOTICES

34.1 Delivery

Any notice or other communication given to a party under or in connection with this Deed shall be:

34.1.1 in writing;

34.1.2 delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by fax or by email; and

34.1.3 sent to:

(a) the Chargors at:

Throwleigh Lodge Ridgeway, Horsell, Woking, Surrey, England, GU21 4QR

Attention: Eugene Kavanagh and Gareth O'Connell

(b) the Security Trustee at:

Throwleigh Lodge Ridgeway, Horsell, Woking, Surrey, England, GU21 4QR

Attention: Gareth O'Connell

or any substitute address or department or officer as either party may notify to the other by not less than 5 Business Days' notice or to any other address or fax number or email address as is notified in writing by one party to the other from time to time.

34.2 Receipt by Chargors

Any notice or other communication that the Security Trustee gives to the Chargors or any Chargor shall be deemed to have been received:

34.2.1 if delivered by hand, at the time it is left at the relevant address;

34.2.2 if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting;

34.2.3 if sent by fax, when received in legible form; and

34.2.4 in the case of electronic mail only when actually received (or made available) in readable form and in the case of any electronic communication made by a party to the Security Trustee only if it is addressed in such a manner as the Security Trustee shall specify for this purpose.

A notice or other communication given as described in clause 34.2 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

34.3 Receipt by Security Trustee

Any notice or other communication given to the Security Trustee shall be deemed to have been received only on actual receipt.

34.4 Service of proceedings

This clause 34 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

35 GOVERNING LAW AND JURISDICTION

35.1 Governing law

This Deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

35.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Deed or its subject matter or formation. Nothing in this clause shall limit the right of the Security Trustee to take proceedings against any Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

35.3 Other service

Each Chargor irrevocably consents to any process in any legal action or proceedings under clause 35.2 being served on it in accordance with the provisions of this Deed relating to service of notices. Nothing contained in this Deed shall affect the right to serve process in any other manner permitted by law.

In witness whereof this document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1**The Chargors**

Chargor Name	Company Number
Ashgate House Limited	03915163
Ashgold House Limited	03954869
Allied Care Limited	03012352
Ashchurch House Limited	03612956
Ashingham House Limited	03954955
Ashdene House Limited	04019377
Ashking House Limited	03925065
Ashtead House Limited	03822114
Ashford House Limited	03499309
Ashgale House Limited	03981638
Ashbridge House Limited	03991126
Ashstone House Limited	04165428
Sussex Supported Housing Limited	04619671
Kings Court (Plymouth) Limited	09400074
Ashriver House Limited	06278945
Allied Care (Supported Living) Limited	03954895
Ashyew House Limited	03954910
Ashpoint House Limited	03954858

Schedule 2**Property**

	Chargor	Property Address	Title Number
1.	Allied Care (Supported Living) Limited	280 North West Road PL1 5DQ	DN402938
2.	Allied Care (Supported Living) Limited	17 Captain's Garden, Manadon Park, PL5 3HA	DN457781
3.	Allied Care (Supported Living) Limited	79 Temeraire Road, Manadon Park, PL5 3UA	DN445782
4.	Allied Care (Supported Living) Limited	91 Aberdeen Avenue, PL5 3HUN	DN474636
5.	Kings Court (Plymouth) Limited	Kings Court, Paradise Road, PL1 5QL	DN202049
6.	Ashyew House Limited	13 Station Hill, SN15 1EQ	WT240548
7.	Ashriver House Limited	Lewes House - Flat 2,3,6,10,11, 6 Lewes Road, BN21 2NZ	ESX341226, ESX283941, ESX290467, ESX283940, ESX281157, ESX382639, ESX382640, ESX382641, EB22306,
8.	Ashriver House Limited	13 Lascelles Terrace, BN21 4BJ	EB2332
9.	Ashriver House Limited	1 Redoubt Road, The Cottage, BN22 7DL	EB7072
10.	Ashriver House Limited	Summer House - Flat 1-6, 118-120 Seaside, BN22 7QP	EB11092

11.	Ashriver House Limited	Retail unit, 118-120 Seaside, BN22 7QP	EB11205
12.	Allied Care (Supported Living) Limited	12 Pinewood Close, BN22 0SA	EB26679
13.	Ashriver House Limited	Rose Cottage – Flats, 17a Roselands Avenue, BN22 8NX	ESX363289
14.	Allied Care (Supported Living) Limited	16 Mountney Drive, BN24 6SH	ESX31767
15.	Ashriver House Limited	48 South Road, BN27 3JQ	ESX94280
16.	Ashriver House Limited	The Old Bricklayers (Flats 1, 3, 4), The Old Bricklayers, Ersham Road, BN27 3YE	ESX343318
17.	Ashriver House Limited	Sussex House (Flats 1,2, 5, 6, 7, 8), Sussex House, South Road, BN27 3YE	ESX327065 FH (LH - ESX333478, 79, 80, 81, 82, 83)
18.	Allied Care (Supported Living) Limited	22 Castle Walk, OX11 7PE	ON119102
19.	Allied Care (Supported Living) Limited	40 Philip Court, Chatsworth Road, PO19 7XU	WSX70848
20.	Allied Care (Supported Living) Limited	1-3 Southdown House, Southdown House, Argyle Road, PO21 1FP	WSX273858
21.	Allied Care (Supported Living) Limited	Flat 14 Wilton House, Wilton House, 37 West Street, PO21 1FS	WSX289038
22.	Allied Care (Supported Living) Limited	Flat 2 St Leonards, St Leonards Park, RH19 1EE	WSX362192

23.	Allied Care (Supported Living) Limited	Flat 26 St Leonards, St Leonards Park, RH19 1EE	WSX362187
24.	Ashmount House Limited	Ashmount	[•]¹
25.	Sussex Supported Housing Limited	Jubilee House Waterworks Road, Eastbourne, BN 22 8LQ	[•] ² Not Applicable
26.	Sussex Supported Housing Limited	4 Busby Court Ceylon Place, Eastbourne BN 21 3JG	[•] ³ Not Applicable
27.	Ashchurch House Limited	6 Chase House Gardens, RM11 2PJ	EGL227133
28.	Allied Care Limited	50 / 50A St Mildreds Road, CT11 0EF	K242991, K635431
29.	Allied Care Limited	Ashford House, 9-11 Winchester Rd, BN11 4DJ	WSX235465
30.	Allied Care Limited	39/41 Hinds Road, HA1 1SQ	MX91123, MX174541
31.	Allied Care Limited	13 Junction Road, RM1 3QS	EGL238246
32.	Allied Care Limited	Church Whitfield Road, Whitfield, CT16 3HZ	K682702
33.	Allied Care Limited	London Road, Temple Ewell, CT16 3DJ	K245476
34.	Allied Care Limited	21 Junction Road, Romford,	RM1 3QS

TLT LLP

TLT LLP

TLT LLP

~~¹ TLT note: TBA~~~~² TLT note: TBA~~~~³ TLT note: TBA~~

TLT LLP

35.	Allied Care Limited	153 Barnett Wood Lane, KT21 2LR	SY446457
36.	Allied Care (Supported Living) Limited	5 Richborough Court, Church Street, West Green, Crawley (RH11 7UL)	WSX315935

Schedule 3

NOTICE AND ACKNOWLEDGEMENT - RELEVANT AGREEMENT Part 1

Form of notice

[On headed notepaper of the Chargor]

[NAME OF COUNTERPARTY]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF COUNTERPARTY],

Debenture dated [DATE] between [CHARGOR] and [SECURITY TRUSTEE] (SECURITY TRUSTEE) (Debenture)

We refer to the [DESCRIBE RELEVANT AGREEMENT] (Contract).

This letter constitutes notice to you that under the Debenture [(a copy of which is attached)] we have [charged **OR** assigned, by way of security,] to [Security Trustee] (as trustee for the Secured Parties as referred to in the Debenture, the **Security Trustee**) all our rights in respect of the Contract.

We confirm that:

- We will remain liable under the Contract to perform all the obligations assumed by us under the Contract.
- Neither the Security Trustee nor any receiver or delegate appointed by the Security Trustee will at any time be under any obligation or liability to you under or in respect of the Contract.

Neither the Debenture nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Contract.

Subject to the above, we will remain entitled to exercise all our rights, powers and discretions under the Contract and you may continue to deal with us in relation to the Contract and give notices under the Contract to us unless and until you receive written notice to the contrary from the Security Trustee. Thereafter, all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Security Trustee or as it directs and we will cease to have any right to deal with you in relation to the Contract and you must deal only with the Security Trustee.

Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior written consent of the Security Trustee.

The instructions in this notice may only be revoked or amended with the prior written consent of the Security Trustee.

Please confirm that you agree to the terms of this notice, and to act in accordance with its provisions, by sending the attached acknowledgement to the Security Trustee at [ADDRESS SECURITY TRUSTEE], with a copy to us.

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....
[NAME OF CHARGOR]

Part 2

Form of acknowledgement

[On headed notepaper of the counterparty]

[NAME OF SECURITY TRUSTEE]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF SECURITY TRUSTEE],

Debenture dated [DATE] between [CHARGOR] (Chargor) and [SECURITY TRUSTEE] (Security Trustee) (Debenture)

We confirm receipt from the Chargor of a notice (**Notice**) dated [DATE] of [a charge **OR** an assignment, by way of security,] in favour of [SECURITY TRUSTEE] (as trustee for the Secured Parties as referred to in the Debenture, the **Security Trustee**) of all the Chargor's rights under [DESCRIBE RELEVANT AGREEMENT] (**Contract**).

[Terms defined in the Notice shall have the same meaning when used in this acknowledgement.]

We confirm that:

- We accept the confirmations and instructions contained in the Notice and agree to comply with the Notice.
- There has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract.
- We will not cancel, avoid, release or otherwise allow the Contract to lapse without giving the Security Trustee at least 30 days' prior written notice.
- We have not, as at the date of this acknowledgement, received notice that the Chargor has assigned its rights under the Contract to a third party, or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party.
- The Security Trustee will not in any circumstances have any liability in relation to the Contract.
- The Contract shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Security Trustee.

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....
[COUNTERPARTY]

Schedule 4

NOTICE AND ACKNOWLEDGEMENT - INSURANCE POLICY

Part 1

Form of notice

[On headed notepaper of the Chargor]

[NAME OF INSURER]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF INSURER],

Debenture dated [DATE] between [CHARGOR] and [SECURITY TRUSTEE] (Security Trustee) (Debenture)

We refer to the [DESCRIBE INSURANCE POLICY AND SPECIFY ITS POLICY NUMBER] (**Policy**).

This letter constitutes notice to you that under the Debenture [(a copy of which is attached)] we have [charged by way of fixed charge to the Security Trustee (as trustee for the Secured Parties as referred to in the Debenture, the **Security Trustee**), **OR** assigned to the Security Trustee (as trustee for the Secured Parties as referred to in the Debenture, the **Security Trustee**), absolutely, subject to a proviso for reassignment], all our rights in the Policy, including all claims, the proceeds of all claims and all returns of premium in connection with the Policy.

We irrevocably instruct and authorise you to:

- [Note the Security Trustee's interest on the Policy as [DESCRIBE NOTATION REQUIRED BY SECURITY TRUSTEE TO BE ENDORSED ON POLICY, FOR EXAMPLE, "MORTGAGEE"] **OR** Name the Security Trustee as composite insured in respect of its own separate insurable interest under the Policy] (except in relation to public liability and third party liability insurance).
- Name the Security Trustee as first loss payee (other than in respect of any claim under any public liability and third party liability insurances).
- Comply with the terms of any written instructions received by you from the Security Trustee relating to the Policy, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions.
- Hold all sums from time to time due and payable by you to us under the Policy to the order of the Security Trustee.
- Pay, or release, all monies to which we are entitled under the Policy to the Security Trustee, or to such persons as the Security Trustee may direct.
- Disclose information in relation to the Policy to the Security Trustee on request by the Security Trustee.

Neither the Debenture nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Policy.

Subject to the foregoing, you may continue to deal with us in relation to the Policy until you receive written notice to the contrary from the Security Trustee. Thereafter, we will cease to have any right to deal with you in relation to the Policy and you must deal only with the Security Trustee.

The instructions in this notice may only be revoked or amended with the prior written consent of the Security Trustee.

Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Security Trustee at [ADDRESS OF SECURITY TRUSTEE], with a copy to us.

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....
[NAME OF CHARGOR]

Part 2

Form of acknowledgement

[On headed notepaper of the insurer]

[NAME OF SECURITY TRUSTEE]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF SECURITY TRUSTEE],

Debenture dated [DATE] between [CHARGOR] (Chargor) and [SECURITY TRUSTEE] (Security Trustee) (Debenture)

We confirm receipt from the Chargor of a notice (**Notice**) dated [DATE] of [a fixed charge in favour of the Security Trustee (as trustee for the Secured Parties as referred to in the Debenture, the **Security Trustee**) **OR** an assignment to the Security Trustee (as trustee for the Secured Parties as referred to in the Debenture, the **Security Trustee**), subject to a proviso for reassignment] of all the Chargor's rights in [DESCRIBE INSURANCE POLICY AND ITS NUMBER] (**Policy**), including all claims, the proceeds of all claims and all returns of premiums in connection with the Policy.

[Terms defined in the Notice shall have the same meaning when used in this acknowledgement.]

We confirm that:

- We accept the instructions and authorisations contained in the Notice and agree to comply with the Notice.
- We have [noted the Security Trustee's interest on the Policy as [DESCRIBE NOTATION REQUIRED BY SECURITY TRUSTEE TO BE ENDORSED ON POLICY, FOR EXAMPLE, MORTGAGEE] **OR** named the Security Trustee as composite insured in respect of its own separate insurable interest under the Policy] (except in relation to public liability and third party liability insurances).
- There has been no amendment, waiver or release of any rights or interests in the Policy since the date the Policy was issued.

- We have not, as at the date of this acknowledgement, received notice that the Chargor has assigned its rights under the Policy 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.
- The Policy shall not be avoided or vitiated as against the Security Trustee by reason of the act or default of any [other] insured party or any misrepresentation, non-disclosure or failure to make a fair presentation of risk by any [other] insured party.
- [We waive our rights of subrogation against the Chargor, the Security Trustee and the tenants of any Charged Property other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of any Charged Property or the Policy.]
- We will not repudiate, rescind or cancel the Policy, treat it as avoided in whole or in part nor treat it as expired due to non-payment of premium without giving at least 30 days' prior written notice to the Security Trustee.
- The Security Trustee will not have any liability for any premium in relation to the Policy unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of the Policy.

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation), shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....
[NAME OF INSURER]

Schedule 5

**NOTICE AND ACKNOWLEDGEMENT - BANK ACCOUNT
Part 1**

Form of notice

[On headed notepaper of the Chargor]

[BANK, FINANCIAL INSTITUTION OR OTHER PERSON]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF ADDRESSEE],

**Debenture dated [DATE] between [CHARGOR] and [SECURITY TRUSTEE] (Security Trustee)
(Debenture)**

This letter constitutes notice to you that under the Debenture [(a copy of which is attached)] we have charged, by way of fixed charge, in favour of the Security Trustee (as trustee for the Secured Parties as referred to in the Debenture, the **Security Trustee**) all monies from time to time standing to the credit of the account held with you and detailed below (the **Account**), together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest):

Name of Account: [NAME OF ACCOUNT]

Sort code: [SORT CODE]

Account number: [ACCOUNT NUMBER]

We irrevocably instruct and authorise you to:

- Disclose to the Security Trustee any information relating to the Account requested from you by the Security Trustee.
- [Comply with the terms of any written notice or instructions relating to the Account received by you from the Security Trustee.]
- [Hold all sums from time to time standing to the credit of the Account to the order of the Security Trustee.]
- [Pay or release all or any part of the monies standing to the credit of the Account in accordance with the written instructions of the Security Trustee.]

[We acknowledge that you may comply with the instructions in this notice without any further permission from us.]

[We are not permitted to withdraw any amount from the Account without the prior written consent of the Security Trustee.]

[The instructions in this notice may only be revoked or amended with the prior written consent of the Security Trustee.]

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Please [acknowledge receipt of this notice **OR** confirm that you agree to the terms of this notice and to act in accordance with its provisions] by sending the attached acknowledgement to the Security Trustee at [ADDRESS OF SECURITY TRUSTEE], with a copy to us.

Yours sincerely,

Signed.....

[NAME OF CHARGOR]

Part 2

Form of acknowledgement

[On headed notepaper of the bank, financial institution or other person]

[SECURITY TRUSTEE]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF SECURITY TRUSTEE],

Debenture dated [DATE] between [CHARGOR] (Chargor) and [SECURITY TRUSTEE] (Security Trustee) (Debenture)

We confirm receipt from the Chargor of a notice (the **Notice**) dated [DATE] of a charge (on the terms of the Debenture) in your favour (as trustee for the Secured Parties as referred to in the Debenture, the **Security Trustee**) over all monies from time to time standing to the credit of the account detailed below (the **Account**), together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest).

We confirm that we:

- Accept the instructions contained in the Notice and agree to comply with the Notice.
- [Will not permit any amount to be withdrawn from the Account without your prior written consent.]
- Have not received notice of the interest of any third party in the Account.
- Have neither claimed nor exercised, nor will claim or exercise any security interest, set-off, counter-claim or other right in respect of the Account.

The Account is:

Name of Account: [NAME OF ACCOUNT]

Sort code: [SORT CODE]

Account number: [ACCOUNT NUMBER]

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

Signed.....

Schedule 6

EVENTS OF DEFAULT

Each of the events or circumstances set out in this Schedule 6 is an Event of Default.

1. Any Borrower or any Obligor does not pay on the due date any amount pursuant to a Finance Document.
2. Any of the provisions in any Finance Document are not complied with or prove to have been incorrect or misleading in any respect.
3. An Obligor does not comply with any provision of the Finance Documents.
4. Any representation or statement made or deemed to be made by an Obligor in any Finance Document or any other document delivered by or on behalf of an Obligor under or in connection with any Finance Document is or proves to have been incorrect or misleading when made or deemed to be made.
5. Any Financial Indebtedness of an Obligor is not paid when due nor within any originally applicable grace period or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
6. Any demand is made by a creditor in respect of any Financial Indebtedness of an Obligor which is incurred pursuant to an on demand facility (however described) and which is not repaid within 10 Business Days of such demand being made on an Obligor.
7. An Obligor is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.
8. Any formal legal proceedings or other procedure or step is taken in relation to or with a view to:
 - 8.1. the suspension of payments, a moratorium of any indebtedness, bankruptcy, voluntary arrangement or scheme of arrangement of an Obligor;
 - 8.2. a composition, assignment or arrangement with any creditor of an Obligor;
 - 8.3. the appointment of a liquidator, receiver, trustee in bankruptcy, compulsory manager or other similar officer in respect of an Obligor or any of its assets; or
 - 8.4. enforcement of any Security over any assets of an Obligor, or any analogous procedure or step is taken in any jurisdiction.
9. Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of an Obligor and is not discharged within 5 Business Days.
10. Any part of any Obligor's property is destroyed or is damaged to a material extent.
11. It is or becomes unlawful for an Obligor to perform any of its obligations under the Finance Documents.
12. All or any part of any Obligor's property is compulsorily purchased.
13. Any Obligor (that is a natural person) dies or lacks the mental capacity to enter into and/or perform his contractual obligations under the relevant Finance Documents.
14. Any event or series of events or any circumstances whether related or not occurs or circumstances arise which might have a Material Adverse Effect.

CHARGORS

Executed as a deed
by **Ashgate House Limited**

acting by a director
in the presence of:

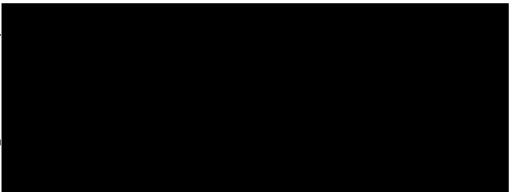


Director

Signature of witness:
Chris Aylward
Name:

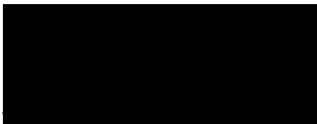


Address:
.....
Occupation:



Executed as a deed
by **Ashgold House Limited**

acting by a director
in the presence of:



Director

Signature of witness:
Chris Aylward
Name:

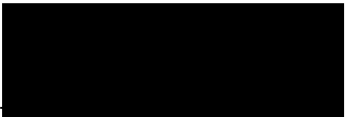


Address:
.....
Occupation:



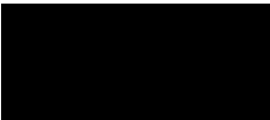
Executed as a deed
by **Allied Care Limited**

acting by a director
in the presence of:



Director

Signature of witness:
Chris Aylward
Name:



Address:



.....
Occupation: [redacted]

Executed as a deed
by **Ashchurch House Limited**
acting by a director
in the presence of:

Signature of witness: [redacted]
Name: Chris Aylward

Address: [redacted]
.....
Occupation: ... [redacted]

[redacted]
.....
Director

Executed as a deed
by **Ashingham House Limited**
acting by a director
in the presence of:

Signature of witness: [redacted]
Name: Chris Aylward

Address: [redacted]
.....
Occupation: [redacted]

[redacted]
.....
Director

Executed as a deed
by **Ashdene House Limited**
acting by a director
in the presence of:

Signature of witness: [redacted]
Name: Chris Aylward

[redacted]
.....
Director

Address: ...
.....
Occupation: ..

Executed as a deed
by **Ashking House Limited**
acting by a director
in the presence of:

.....
Signature of witness:

Name: Chris Aylward

Address:
.....
Occupation: ..

.....
Director

Executed as a deed
by **Ashtead House Limited**
acting by a director
in the presence of:

.....
Signature of witness:

Name: Chris Aylward

Address:
.....
Occupation: ..

.....
Director

Executed as a deed
by **Ashford House Limited**
acting by a director
in the presence of:

.....

Signature of witness:
Chris Aylward

Director

Name:

Address:
.....

Occupation: ...

Executed as a deed
by **Ashgale House Limited**
acting by a director
in the presence of:

.....

Director

Signature of witness:
Chris Aylward

Name:

Address:
.....

Occupation: ...

Executed as a deed
by **Ashbridge House Limited**
acting by a director
in the presence of:

.....

Director

Signature of witness:
Chris Aylward

Name:

Address:
.....

Occupation: ...

Executed as a deed
by **Ashstone House Limited**
acting by a director
in the presence of:

Signature of witness:

Chris Aylward

Name:

Address:

Occupation: ..

Executed as a deed
by **Sussex Supported Housing Limited**

acting by a director
in the presence of:

Signature of witness:

Chris Aylward

Name:

Address:

Occupation: ..

Executed as a deed
by **Kings Court (Plymouth) Limited**
acting by a director
in the presence of:

Signature of witness:

Chris Aylward

Name:

Address:

Occupation: ..

Executed as a deed
by **Ashriver House Limited**
acting by a director
in the presence of:

.....
Director

.....
Director

.....
Director

Signature of witness:

.....

.....

Director

Name:Chris Aylward.....

Address:

.....

Occupation:

Executed as a deed
by **Allied Care (Supported Living) Limited**

acting by a director
in the presence of:

Signature of witness:

.....

.....

Director

Name:Chris Aylward.....

Address:

.....

Occupation:

Executed as a deed
by **Ashyew House Limited**
acting by a director
in the presence of:

Signature of witness:

.....

.....

Director

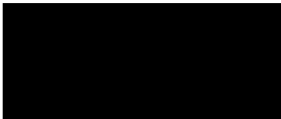
Name:Chris Aylward.....

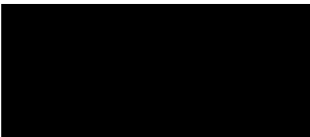
Address:

.....

Occupation:

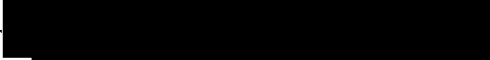
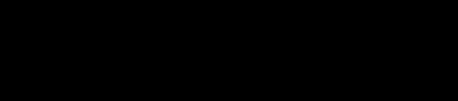
Executed as a deed
by **Ashpoint House Limited**
acting by a director
in the presence of:

Signature of witness: 



Name: Chris Aylward

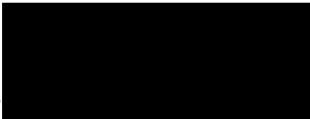
Director

Address: .. 
.....
Occupation: .. 

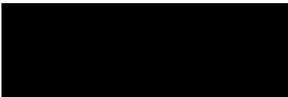
SECURITY TRUSTEE

Executed as a deed
by AI Care Sec Limited
acting by a director
in the presence of:

)
)
)



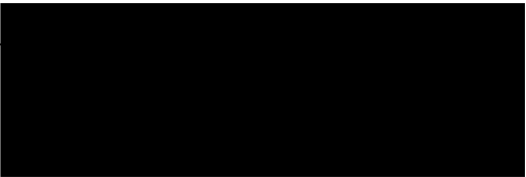
Director



Signature of witness:

Name:Chris. Aylward.....

Address:



Occupation: