

MR01

Particulars of a charge



Companies House

282221 £23



Go online to file this information
www.gov.uk/companieshouse

A fee is be payable with the
Please see 'How to pay' on the

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

☒ **What this form is NOT for**
You may not use this form to
register a charge where there
instrument. Use form MR08.

THURSDAY



SCT *S76MBTG1* #731
24/05/2018
COMPANIES HOUSE

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



You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original.**

1 Company details

Company number S C 1 0 0 1 5 7

Company name in full MEALLMORE LIMITED

For official use
20

→ **Filling in this form**
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date ^d1 ^d0 ^m0 ^m5 ^y2 ^y0 ^y1 ^y8

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

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

Name SANTANDER UK PLC

Name

Name

Name

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

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

COMPANIES HOUSE

24 MAY 2018

06/16 Version 2.1
EDINBURGH FRONT DESK

MR01

Particulars of a charge

4 Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument".

Please limit the description to the available space.

Brief description

N/A

5 Other charge or fixed security

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

☒ Yes

☐ No

6 Floating charge

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

☐ Yes Continue

☒ No Go to **Section 7**

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

☐ Yes

7 Negative Pledge

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

☒ Yes

☐ No

8 Trustee statement ^①

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

☐

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

9 Signature

Please sign the form here.

Signature

Signature

X 

X

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

MR01

Particulars of a charge

**Presenter information**

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **JUDITH MORTON**

Company name **HARPER MACLEOD LLP**

Address **THE CA'D'ORO BUILDING**

45 GORDON STREET

Post town **GLASGOW**

County/Region

Postcode **G 1 3 P E**

Country **SCOTLAND**

DX **DX GW86**

Telephone **0141 227 9395**

**Certificate**

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**How to pay**

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'

**Where to send**

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

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

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

For companies registered in Northern Ireland:

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

**Further information**

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 100157

Charge code: SC10 0157 0020

The Registrar of Companies for Scotland hereby certifies that a charge dated 10th May 2018 and created by MEALLMORE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th May 2018.

Given at Companies House, Edinburgh on 31st May 2018



Companies House



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

Share Pledge

by

Meallmore Limited

in favour of

Santander UK plc

Relating to the issued share capital of the Companies listed in Schedule 1

Ref: 487265

I certify that, save for material redacted pursuant to s.859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.

Signature

Date

Harper Macleod LLP

J. Morton
25/18

Judith Morton
Registered European
Lawyer

Table of Contents

1	Definitions and Interpretation	1
2	Security	3
3	Protection of Security	4
4	Power of Attorney.....	5
5	Representations, Warranties and Undertakings	6
6	The Shares.....	7
7	Enforcement.....	8
8	Discharge	9
9	Liability of Lender	10
10	Miscellaneous.....	10
11	Notices	11
12	Governing Law	12
Schedule 1 The Companies.....		13
Schedule 2 The Existing Shares.....		14

Share Pledge

- 1 **MEALLMORE LIMITED**, a company incorporated and registered in Scotland (Company Number: SC100157) and having registered office is at Caulfield House, Cradlehall Business Park, Inverness, IV2 5GH (the "**Pledgor**");
- 2 **SANTANDER UK PLC**, a company incorporated and registered in England (Company Number: 02294747) and having its registered office at 2 Triton Square, Regent's Place, London, NW1 3AN (the "**Lender**").

1 Definitions and Interpretation

1.1 Definitions

In this Security unless the context requires otherwise:

"Additional Shares" means any shares in the Companies, as hereinafter defined, (other than the Existing Shares) including any such shares comprised in Related Rights, at any time hereafter beneficially owned by the Pledgor;

"Borrower" means Hilton Rehabilitation Limited (Company Number: SC349850) whose registered office is at Caulfield House, Cradlehall Business Park, Inverness, IV2 5GH;

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

"Companies" means the companies specified in Schedule 1 (and each a "**Company**");

"Event of Default" means each and every event of default howsoever described in the Facility Agreement;

"Existing Shares" means the shares in the Companies specified in columns 5 and 6 of Schedule 2;

"Facility Agreement" means the facility agreement dated 31 March 2016 (as amended by an amendment agreement executed on 5th April 2017 and 11th April 2017 and an amendment agreement executed on 24 January 2018 and 6 February 2018), in terms of which, inter alia, the Lender agreed to make term loan facilities of £27,900,000 available to the Borrower on the terms and conditions set out therein;

"Finance Documents" means the Facility Agreement, any Accession Letter, the Intra-Group Loan Agreement, any Compliance Certificate, any Hedging Agreement, any Transaction Security Document, any Utilisation Request and any other document designated as a "Finance Document" by the Lender and the Borrower (all as more particularly defined in the Facility Agreement);

"Pledged Assets" means the Existing Shares, the Additional Shares and the Related Rights;

"Related Rights" means all dividends, interest, distributions and other rights of whatever nature now or hereafter payable on or arising or accruing in respect of the Shares including, without limiting that generality, all shares or other securities (and dividends, interest, distributions and other rights relating thereto) offered or otherwise arising or accruing by way of redemption, bonus, substitution, exchange or otherwise in respect of the Shares;

"Schedules" means the schedules annexed as relative to this Security;

"Secured Obligations" means all or any monies, liabilities and obligations, whether actual or contingent and whether owed jointly or severally or as principal debtor, guarantor,

cautioner, surety or otherwise, which are now or may at any time hereafter (whether before or at any time after demand) be or become due in any manner by the Borrower to the Lender including interest, discount, commission and all lawful charges or expenses which the Lender may in the course of its business charge or incur in respect of any of those matters or for keeping any account of the Borrower and so that the interest shall be computed and compounded according to the usual rate and practice of the Lender as well as after as before any demand made or decree or judgement obtained under this Security, and all or any monies, liabilities and obligations due to the Lender under this Security;

"Security" means these presents (including the Schedules) as amended or supplemented from time to time;

"Shares" means the Existing Shares and the Additional Shares;

"Subsidiary" has the meaning given in section 1159 of the Companies Act 2006 (which for this purpose shall be treated as including any person, the shares or ownership interest in which are subject to security and where the legal title to the shares or ownership interest subject to such security is registered in the name of the secured party or its nominee pursuant to such security), and

"VAT" means:

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

1.2 Interpretation

In this Security unless the context requires otherwise:

- 1.2.1 words importing the singular shall include the plural and vice versa;
- 1.2.2 references to this Security or any other document shall be constituted as references to this Security or such other document as amended, supplemented or novated from time to time;
- 1.2.3 references to any statute or statutory provision (including any subordinate legislation) shall include any statute or statutory provision for the time being in force which amends, extends, consolidates or replaces the same and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute or statutory provision;
- 1.2.4 references to a **"person"** shall include any individual, firm, company, corporation, body, trust or foundation, or any association, partnership or unincorporated body (whether or not having separate legal personality);
- 1.2.5 any reference to the Lender includes its successors, and permitted transferees and assignees;
- 1.2.6 references to a document **"in the agreed form"** means a document in a form agreed;
- 1.2.7 by the Pledgor and the Lender and initialled by, or on behalf of, each of them for the purpose of identification as such; and

- 1.2.8 "tax" means all forms of taxation, duties, imposts and levies whatsoever in the nature of taxation whenever and wherever imposed, including (but without limitation) all stamp duties, imposts, duties, capital and revenue taxes and value added tax, and "taxes" and "taxation" shall be construed accordingly.

1.3 Headings

The table of contents and the headings in this Security are included for convenience only and shall be ignored in construing this Security.

2 Security

2.1 Payment

The Pledgor undertakes to the Lender that it will pay and discharge the Secured Obligations on the due date therefor, or, if no date for payment has been agreed, on demand.

2.2 Security

In security for the payment and discharge of the Secured Obligations the Pledgor hereby:

- 2.2.1 pledges and assigns the Existing Shares and Related Rights to which it is entitled at the date hereof to the Lender on the terms and conditions specified in this Security; and

- 2.2.2 undertakes to pledge and assign any Additional Shares and Related Rights to which it becomes entitled after the date hereof to the Lender in accordance with the provisions of this Security.

2.3 Transfer

- 2.3.1 Immediately upon execution of this Security the Pledgor shall deliver to the Lender:

- 2.3.1.1 valid executed transfers of the Existing Shares in favour of the Lender or its nominee (stamped and dated); and

- 2.3.1.2 evidence satisfactory to the Lender that the transfers of the Existing Shares to the Lender or its nominee has been approved by the board of directors of each Company in accordance with its articles of association, and a share certificate in name of the Lender or its nominee in respect of the Existing Shares; and

- 2.3.1.3 a certified copy of the updated Register of Members of each Company reflecting the registration of the Existing Shares in the name of the Lender or its nominee in accordance with the articles of association of the Company.

- 2.3.2 If the Pledgor becomes entitled to or acquires any Additional Shares it shall promptly notify the Lender and immediately on request by the Lender transfer them to the Lender or its nominee in accordance mutatis mutandis with the preceding provisions of this clause.

- 2.3.3 This Security shall be conditional upon and shall not be deemed to have been completed and in force until clause 2.3.1 above has been complied with to the satisfaction of the Lender.

2.4 Prohibition of other securities etc

Unless the Lender otherwise agrees in writing, the Pledgor shall not assign or create or permit any form of security or lien to arise over or otherwise deal with the Pledged Assets or any part thereof until the Secured Obligations have been fully and unconditionally paid or discharged.

3 Protection of Security

3.1 Continuing security

This Security shall be a continuing security notwithstanding any intermediate payment or satisfaction of the Secured Obligations and shall remain in force until the Secured Obligations have been fully and unconditionally paid and discharged.

3.2 No prejudice

This Security shall be in addition to and shall not in any way prejudice or be prejudiced by any other security, right or remedy which the Lender may now or at any time hereafter hold for all or any part of the Secured Obligations.

3.3 No waiver

Failure or delay on the part of the Lender in exercising any right, power or discretion under or pursuant to this Security shall not operate as a waiver thereof, nor will any single or partial exercise of any such right, power or discretion preclude any other or further exercise thereof. The rights, powers and discretions contained in this Security are in addition to and not substitution for any right of set-off, compensation, retention, combination of accounts, lien or other right or remedy provided by law.

3.4 Severability

The provisions of this Security shall be severable and distinct from one another and if at any time *one or more of such provisions is or becomes or is declared void, invalid, illegal or unenforceable* in any respect, the validity, legality and enforceability of the remaining provisions of this Security shall not in any way be affected or impaired thereby.

3.5 Non impairment

The Pledgor agrees that none of its obligations or the Lender's rights, powers and discretions under this Security shall be reduced, discharged or otherwise adversely affected by:

- 3.5.1 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any security or any right or remedy which the Lender may have now or in the future from or against the Pledgor or any other person in respect of any of the Secured Obligations; or
- 3.5.2 any failure, act or omission by the Lender or any other person in taking up, perfecting or enforcing any security or guarantee from or against the Pledgor or any other person in respect of the Secured Obligations; or
- 3.5.3 any increase in or waiver or discharge of any of the Secured Obligations or any termination, amendment, variation, supplement, restatement, novation or replacement of any document or agreement relating thereto; or
- 3.5.4 any grant of time, indulgence, waiver or concession to the Pledgor or any other person; or

- 3.5.5 any of the administration, receivership, liquidation, winding-up, insolvency, bankruptcy, incapacity, limitation, disability, discharge by operation of law or any change in the constitution, name or style of the Pledgor or any other person; or
- 3.5.6 any invalidity, illegality, unenforceability, irregularity or frustration of any of the Secured Obligations; or
- 3.5.7 any renumbering, redesignation, subdivision, consolidation, alteration or variation of the Shares; or
- 3.5.8 anything done or omitted to be done by the Lender or any other person which but for this provision might operate to exonerate or discharge or otherwise reduce or extinguish the liability of the Pledgor under this Security.

3.6 Further assurance

The Pledgor shall promptly after being requested to do so by the Lender do all such acts and things and execute and deliver all such documents as the Lender may require for perfecting or protecting the security created by or pursuant to this Security in respect of the Pledged Assets or its priority or for facilitating the realisation or application of the Pledged Assets and the exercise of the rights, powers and discretions conferred on the Lender under this Security.

3.7 New accounts

At any time after the Lender has received or is deemed to be affected by notice (whether actual or constructive) of the creation of any subsequent security charge or encumbrance over or affecting any part of the Secured Assets or the proceeds of realisation, the Lender may open a new account or accounts with the Pledgor. If the Lender does not open a new account or accounts it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice and as from that time all payments made to the Lender shall be credited or be treated as having been credited to the new account or accounts and shall not operate to reduce the amount covered by this Security.

4 Power of Attorney

4.1 Appointment

The Pledgor hereby irrevocably appoints the Lender as its attorney on its behalf and in its name or otherwise, at such times and in such a manner as the attorney may think fit:

- 4.1.1 to do anything which the Pledgor is obliged to do (but has not done) under this Security including, without limitation, to execute further securities, transfers or assignments of and other instruments relating to, the Pledged Assets; and
- 4.1.2 generally to exercise all or any of the rights, powers and discretions conferred on the Lender in relation to the Pledged Assets under this Security.

4.2 Ratification

The Pledgor hereby ratifies and confirms and agrees to ratify and confirm whatever its attorney may do or purport to do in the exercise or purported exercise of the power of attorney given by the Pledgor under this clause.

4.3 Exercise of power

The appointment effected under clause 4.1 (Appointment) shall take effect immediately, but the powers conferred shall only become exercisable upon the occurrence of an Event of Default which is continuing, unremedied or unwaived or if the Pledgor does not fulfil any of

its obligations under clause 3.6 (Further assurance) within three Business Days of notice from the Lender to do so.

5 Representations, Warranties and Undertakings

5.1 Representations and warranties

The Pledgor represents and warrants to the Lender that:

- 5.1.1 it is duly incorporated and validly existing under the law of Scotland;
- 5.1.2 it has the power to grant this Security and perform its obligations hereunder;
- 5.1.3 it has taken all necessary corporate action to authorise the execution and delivery of this Security and the performance of its obligations hereunder;
- 5.1.4 the grant of this Security and the performance of its obligations hereunder will not contravene any law, regulation or agreement to which the Pledgor is a party or by which it is bound, or cause any limitation on any of the powers of the Pledgor however imposed, or the right or ability of its directors to exercise any of such powers, to be exceeded;
- 5.1.5 all authorisations required for the creation, performance, validity and enforceability of this Security by the Pledgor have been obtained and are in full force and effect;
- 5.1.6 it is the absolute unencumbered beneficial owner of the Existing Shares and Related Rights in respect thereof;
- 5.1.7 it has not granted or created any other security, charge or encumbrance, over or any option, right of pre-emption, warrant or other right to subscribe for, purchase or otherwise acquire the Pledged Assets or any interest therein, or agreed, conditionally or unconditionally, to do so;
- 5.1.8 the Existing Shares are fully paid; and
- 5.1.9 the information contained in the Schedules is complete and accurate in all respects.

5.2 Undertakings

The Pledgor undertakes to the Lender that it shall:

- 5.2.1 not sell, transfer, lend or otherwise dispose of, or grant or create any option, right of pre-emption, warrant or other right to subscribe for, purchase or otherwise acquire, the Pledged Assets or any interest therein or agree, conditionally or unconditionally, to do so;
- 5.2.2 not take or omit to take any action which would prejudice the security constituted pursuant to this Security or impair the value of the Pledged Assets and shall, at its own cost, promptly take all action which is at any time necessary or which the Lender may request, to protect the value of the interests of the Pledgor and the Lender in the Pledged Assets;
- 5.2.3 not, save in accordance with clause 5.2.4 below, vary or abrogate any of the rights attached to the Pledged Assets or take or omit to take any action which would have that result;
- 5.2.4 take such action as the Lender may reasonably request in respect of any proposed consolidation, subdivision, reorganisation, arrangement, conversion,

exchange, repayment or takeover offer affecting or relating to the Pledged Assets or any of them or any proposal made for varying or abrogating any rights attaching to the Pledged Assets or any of them;

5.2.5 report promptly (and in any event within the time period required by law) to any request for information or notice served on it under or pursuant of Part 21A of the Companies Act 2006 (and shall procure that each of its Subsidiaries shall also do so); and

5.2.6 promptly upon receipt provide to the Lender a copy of any warning notice or restriction notice served on it under Part 21A of the Companies Act 2006 (and shall procure that each of its Subsidiaries shall also do so).

6 The Shares

6.1 The Pledgor shall be entitled to exercise the voting rights attaching to the Shares subject to and in accordance with the provisions of clauses 6.2 to 6.4 below. Otherwise, such voting rights may be exercised by the Lender as it thinks fit.

6.2 The Pledgor shall not be entitled to exercise the voting rights attaching to the Shares if an Event of Default has occurred which is continuing, unremedied or unwaived.

6.3 The Pledgor shall not be entitled without the Lender's prior written consent (such consent not to unreasonably withheld or delayed in relation to paragraphs 6.3.1 to 6.3.4 below, prior to the occurrence of an Event of Default which is continuing, unremedied or unwaived) to exercise the voting rights attaching to the Shares in favour of any resolution for any of the following purposes:

6.3.1 the alteration of the memorandum or articles of association of any Company;

6.3.2 the issue of any shares in any Company;

6.3.3 the purchase or redemption by any Company of any of its own shares;

6.3.4 the reduction of the share capital of any Company;

6.3.5 the winding up of any Company or the approval of any voluntary arrangement in relation to it, or

6.3.6 any other matter which in the Lender's reasonable opinion might prejudice this Security or adversely affect the value of the Pledged Assets to a material extent.

6.4 If so requested by the Pledgor, the Lender shall appoint or procure the appointment of the Pledgor as its proxy in respect of the Shares in accordance with the provisions of this clause but any such appointment shall (notwithstanding any express or implied term to the contrary) terminate and cease to have effect on the occurrence of an Event of Default which is continuing, unremedied or unwaived, and in relation to any matter falling within any of the provisions of clause 6.3.

6.5 Dividends etc

6.5.1 Unless an Event of Default has occurred which is continuing, unremedied or unwaived and always subject to the terms of the Facility Agreement the Lender shall (subject always to clause 6.2) account to the Pledgor for all dividends, interest and other distributions paid in respect of the Shares and shall if so requested by the Pledgor complete and deliver an appropriate dividend mandate or mandates.

- 6.5.2 After the occurrence of an Event of Default which is continuing, unremedied or unwaived, the Lender may retain all such dividends, interest and distributions and apply them in or towards settlement of the Secured Obligations on the same basis as proceeds under clause 7 (Enforcement). If the Pledgor or any person on its behalf receives or obtains the benefit of any such dividends, interest or distributions after the occurrence of an Event of Default which is continuing, unremedied or unwaived it shall immediately pay over and account for the same to the Lender.
- 6.5.3 The Lender shall promptly pass on to the Pledgor all notices or other communications (or a copy thereof) it may receive from any Company in relation to the Shares but shall not be liable for any failure to do so.
- 6.5.4 Without prejudice to clause 2.3.2, any shares or other securities comprised in Related Rights shall be issued to and registered in the name of the Lender or its nominee, failing which the Pledgor shall forthwith transfer them to the Lender or its nominee in accordance with clause 2.3.3.

6.6 Calls etc

The Pledgor shall promptly pay any calls which may be made or meet any other obligations arising in respect of the Shares, failing which the Lender may (but shall not be obliged to) make the relevant payments or meet such obligations, the amount of which shall be repayable by the Pledgor on demand, together with interest at 2% per annum over the rate otherwise payable in respect of the Secured Obligations, and shall constitute Secured Obligations.

7 Enforcement

7.1 Powers

At any time after the occurrence of an Event of Default which is continuing, unremedied or unwaived, the Lender shall be entitled, without notice to the Pledgor, either in its own name or in the name of the Pledgor or otherwise and in such manner and upon such terms and conditions as it thinks fit:

- 7.1.1 to sell, transfer, assign or otherwise dispose of the Pledged Assets by public or private sale with or without advertisement in such manner and on such terms and conditions as the Lender may consider expedient, and apply the proceeds in or towards satisfaction of, or retain them as continuing security for, the Secured Obligations; and
- 7.1.2 generally, without prejudice to the other provisions of this clause, to exercise all the rights powers and discretions in respect of the Pledged Assets it would be entitled to exercise if it were the absolute owner of the Pledged Assets, and to do all acts and things it may consider necessary or expedient for the realisation of the Pledged Assets and the application of the proceeds in or towards settlement of, or their retention as continuing security for, the Secured Obligations, or as may be incidental to the exercise of any of the rights, powers and discretions conferred on the Lender under this Security.

7.2 Application of proceeds

All monies realised or otherwise arising from the enforcement of this Security shall be applied by the Lender in or towards settlement of the Secured Obligations in such order as the Lender shall in its absolute discretion decide and any surplus shall be paid to the Pledgor or any other person entitled thereto.

7.3 Monies on suspense account

Nothing in this Security shall limit the right of the Lender (and the Pledgor acknowledges that the Lender is so entitled) if and for so long as the Lender in its discretion shall consider it appropriate, to place all or any monies arising from the enforcement of this Security into a suspense account or accounts (which may be with the Lender), without any obligation to apply the same or any part thereof in or toward the discharge of the Secured Obligations.

7.4 Balance

The rights powers and discretions conferred on the Lender under this clause are subject only to its obligation to account to the Pledgor for any balance of the Pledged Assets or their proceeds remaining in its hands after the Secured Obligations have been fully and unconditionally paid and discharged.

7.5 Third parties

7.5.1 No purchaser from or other person dealing with the Lender in relation to the Pledged Assets shall be concerned to enquire whether any of the powers exercised or purported to be exercised by it hereunder has become exercisable, whether any of the Secured Obligations remains outstanding, or generally as to the propriety or validity of the exercise or purported exercise of any power hereunder.

7.5.2 The receipt or discharge of the Lender shall be an absolute discharge to any purchaser or other person dealing with the Lender in relation to the Pledged Assets and any such purchaser or third party shall not have any obligation to enquire after or see to the application of any payments made by it to the Lender or at its direction.

8 Discharge

8.1 Discharge

When the Secured Obligations have been fully and unconditionally paid or discharged the Lender shall at the Pledgor's request, and at its expense, discharge this Security. Any payment or realisation in respect of the Secured Obligations which in the reasonable opinion of the Lender is liable to be avoided or otherwise invalidated or adjusted by law, including any enactment or rule of law relating to insolvency, shall not be regarded as having been irrevocably settled or discharged until the expiry of the period during which it may be challenged on any such ground.

8.2 Retention of Security

If any payment or realisation in respect of the Secured Obligations is, in the Lender's reasonable opinion, liable to be avoided or otherwise invalidated or adjusted by law, including any enactment or rule of law relating to insolvency, the Lender shall be entitled to retain this Security undischarged until the expiry of the period during which it may be challenged on any such ground.

8.3 Avoidance of payments

The Lender's right to recover the Secured Obligations in full shall not be affected or prejudiced by any payment or realisation which is avoided or otherwise invalidated or adjusted by law, including any enactment or rule of law relating to insolvency, or by any release or discharge given by the Lender on the faith of any such payment or realisation.

9 Liability of Lender

The Lender shall not in any circumstances be liable to the Pledgor or any other person for any losses, damages, liabilities or expenses arising from or in connection with the application or enforcement of this Security or any realisation, appropriation or application of the Pledged Assets or from any act, default or omission of the Lender, or its officers, employees or agents in relation to the Pledged Assets or otherwise in connection with this Security, except to the extent caused by the wilful neglect or default of the Lender or its officers, employees or agents.

10 Miscellaneous

10.1 Non compliance by Pledgor

If the Pledgor fails to make any payment or fulfil any obligation due by it under or pursuant to this Security, the Lender shall be entitled to do so on its behalf and in its name (or in its own name as it considers expedient) and/or to take such action to remedy or mitigate the consequences of such failure as it considers expedient, and the amount of any such payment and/or the costs incurred in fulfilling such obligation or mitigating the consequences of such failure, shall be repayable by the Pledgor on demand, together with interest at 2% per annum over the rate otherwise payable in respect of the Secured Obligations and shall constitute Secured Obligations.

10.2 Currency conversion

Irrespective of the currency (whether Sterling or otherwise) in which all or part of the Secured Obligations or the Pledged Assets from time to time is/are expressed, Lender shall be entitled at any time and without prior notification to the Pledgor to convert the amount(s) in question into such other currency (whether Sterling or otherwise) as Lender may from time to time consider appropriate: any such conversion shall be effected at the spot market rate of the Lender prevailing at the time of such conversion.

10.3 Assignment

10.3.1 The Lender may at any time (without notice or consent) assign the benefit of this Security or any of its rights or obligations hereunder.

10.3.2 The Pledgor may not assign, transfer or otherwise deal with the benefit or burden of this Security or any of its rights or obligations hereunder.

10.4 Certificate

A certificate signed by any authorised signatory on behalf of the Lender shall, save in the case of manifest error, conclusively constitute the amount of the Secured Obligations at the relevant time for all purposes of this Security.

10.5 Entire agreement

This Security constitutes the entire agreement and understanding of the parties and supersedes any previous agreement between the parties relating to the subject matter of this Security.

10.6 Non-reliance

Each of the parties acknowledges and agrees that in entering into this Security it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or undertaking (whether negligently or innocently made) of any person (whether a party to this Security or not) other than as expressly set out in this Security.

10.7 Amendments

No amendment or variation of this Security shall be effective unless it is in writing and signed by or on behalf of each of the parties.

10.8 Expenses

The Pledgor shall indemnify the Lender within five days of receipt of a written demand against all liabilities, costs, charges and expenses properly and reasonably incurred by the Lender (including the fees and expenses of any legal advisers employed by the Lender and where appropriate any VAT) in connection with the preparation and execution of this Security (and any further security taken by the Lender hereunder) and the enforcement or preservation of the Lender's rights under this Security, together with interest at 2% per annum over the rate otherwise payable in respect of the Secured Obligations which shall accrue daily and be compounded quarterly, from the date of demand until settlement, and the amount thereof shall be a Secured Obligation.

11 Notices

11.1 Notices and deemed receipt

Any demand or notice to be given under this Security shall be in writing signed by or on behalf of the party giving it and shall be served by delivering it personally or sending it by pre-paid recorded delivery or registered post to the address and for the attention of the relevant party set out in clause 11.2 (Addresses for notices) (or as otherwise notified by that party thereunder). Any such notice shall be deemed to have been received:

11.1.1 if delivered personally, at the time of delivery;

11.1.2 in the case of pre-paid recorded delivery or registered post, 24 hours from the date of posting; and

11.1.3 in the case of registered airmail, five days from the date of posting;

provided that if deemed receipt occurs before 9.00am on a Business Day the notice shall be deemed to have been received at 9.00am on that day and if deemed receipt occurs after 5.00pm on a Business Day, or on a day which is not a Business Day, the notice shall be deemed to have been received at 9.00am on the next Business Day.

11.2 Addresses for notices

The addresses and facsimile numbers of the parties for the purposes of this clause 11 are:

The Lender

Address: 1st Floor Corporate & Commercial Office, 301 St.Vincent Street,
Glasgow, G2 5NB

For the attention of: Andy Jamieson

Fax number: 0141 275 8799

The Pledgor

Address: Meallmore Limited, Caulfield House, Cradlehall Business Park,
Inverness, IV2 5GH

For the attention of: Company Secretary

Fax number: 01463 795423

or such other address or facsimile number in the United Kingdom as may be notified in writing from time to time by the relevant party to the other.

11.3 No electronic service

For the avoidance of doubt no demand or notice given under this Security shall be validly given if sent by email.

12 Governing Law

This Security shall be governed by and construed in accordance with the law of Scotland and in so far as not already subject thereto the parties irrevocably submit to the non-exclusive jurisdiction of the Scottish Courts.

IN WITNESS WHEREOF these presents consisting of this and the 11 preceding pages and the Schedules are executed as follows:

Subscribed for and on behalf of Meallmore Limited

by

[Redacted Signature]

~~*Authorised Signatory/Director/Company Secretary~~

GAVIN WACKERIE

Full Name of Signatory (Please Print)

at INVERNESS

on 10 May 2018

before

[Redacted Signature]

Witness (Signature)

Amy Bowen

Witness Name (Please Print)

Alder House

Witness Address

Cracklehall Business park

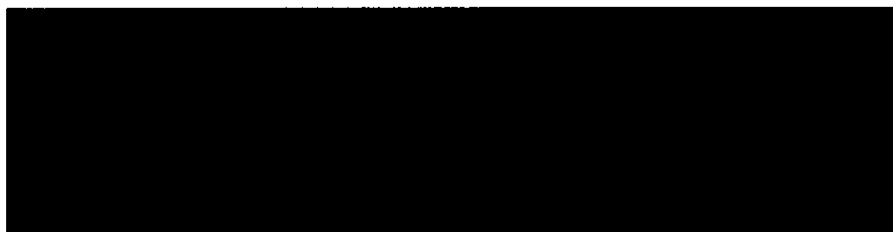
*Please delete as applicable

Inverness

This is Schedule 1 referred to in the foregoing Share Pledge by Meallmore Limited in favour of Santander UK plc dated *10 MAY 2018*

Schedule 1
The Companies

Name	Registered Number	Registered Office
Culduthel Care Limited	SC538582	Caulfield House Cradlehall Business Park Inverness Scotland IV2 5GH
Bayview Care Home Limited	SC576803	Caulfield House Cradlehall Business Park Inverness Scotland IV2 5GH



This is Schedule 2 referred to in the foregoing Share Pledge by Meallmore Limited in favour of Santander UK plc dated *10 MAY 2018*

Schedule 2
The Existing Shares

Name of Company (1)	Registered Number (2)	Authorised Share Capital (3)	Issued Share Capital (4)	Class and nominal value of Existing Shares (5)	Number of Existing Shares (6)
Culduthel Care Limited	SC538582	100 ordinary Shares of £1	100 Ordinary Shares of £1	Ordinary Share of £1	100 Ordinary Shares
Bayview Care Home Limited	SC576803	100 Ordinary Shares of £1	100 Ordinary Shares of £1	Ordinary Share of £1	100 Ordinary Shares

