



Registration of a Charge

Company name: **AVOM CARE LIMITED**

Company number: **03802810**



X8FBB16X

Received for Electronic Filing: **03/10/2019**

Details of Charge

Date of creation: **30/09/2019**

Charge code: **0380 2810 0006**

Persons entitled: **HORSELL (2015) LIMITED**

Brief description: **HORSELL LODGE RESIDENTIAL CARE HOME, KETTLEWELL HILL,
WOKING GU21 4JA REGISTERED AT LAND REGISTRY UNDER TITLE
NUMBER SY621458**

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3802810

Charge code: 0380 2810 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th September 2019 and created by AVOM CARE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd October 2019 .

Given at Companies House, Cardiff on 4th October 2019

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



Companies House



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

DATED

30 September

2019

(1) AVOM CARE LIMITED

(2) HORSELL (2015) LIMITED

DEBENTURE

I hereby certify this to be a true copy of the original

Charles Russell Speechlys LLP

CHARLES RUSSELL SPEECHLYS LLP
SOLICITORS

5 FLEET PLACE
LONDON EC4M 7RD

DATE: 1 October 2019



CONTENTS

	Page No
1. DEFINITIONS AND INTERPRETATION	1
2. COVENANT TO PAY	8
3. CHARGES	8
4. CRYSTALLISATION OF FLOATING CHARGE.....	10
5. PERFECTION OF SECURITY	11
6. FURTHER ASSURANCE	12
7. RESTRICTIONS ON DEALING	13
8. MATERIAL CONTRACTS AND INTELLECTUAL PROPERTY	14
9. SECURITIES.....	15
10. MONETARY CLAIMS	16
11. ACCOUNTS.....	16
12. DEMAND AND ENFORCEMENT.....	16
13. RECEIVERS	17
14. POWER OF ATTORNEY	18
15. APPLICATION OF MONEYS.....	19
16. PROTECTION OF THIRD PARTIES	19
17. PROTECTION OF THE SECURED PARTY AND ANY RECEIVER	20
18. PROVISIONS RELATING TO THE SECURED PARTY	21
19. PRESERVATION OF SECURITY	21
20. RELEASE.....	24
21. MISCELLANEOUS PROVISIONS	24
22. NOTICES.....	25
23. GOVERNING LAW	26
SCHEDULE 1 Details of Land.....	27
SCHEDULE 2	28
Part 1 - Form of notice of assignment of Insurances	28
Part 2 - Forms of Notice of Charge of Accounts (including the Blocked Account)	32

DEBENTURE

DATED :

30 September

2019

PARTIES:

- (1) **AVOM CARE LIMITED** (Company Registration Number 03802810) whose registered office is at Bradbury House, 830 The Crescent, Colchester Business Park, Colchester CO4 9YQ ("the Chargor"); and
- (2) **HORSELL (2015) LIMITED** (Company Registration Number 09893073) whose registered office is at Bradbury House 830 The Crescent, Colchester Business Park, Colchester, Essex, United Kingdom, CO4 9YQ ("the Secured Party").

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Debenture, the following expressions shall have the following meanings:

Account:	any account opened or maintained by the Chargor at any bank or financial institution, including, without limitation, the Blocked Account (as defined in the Portfolio Agreement)
Business:	the ordinary trading activities of the Chargor in the operation and/or management of a Registered Care Home (as defined in the Lease) on the Premises in accordance with the terms of the Lease
Care Contracts:	all contracts, arrangements, licenses and other commitments wholly relating to the Business including the Resident Contracts and the Local Authority Contracts
Care Home:	the elderly care home constructed on the Charged Property
Charged Property:	all the assets and undertaking of the Chargor which from time to time are, or purport to be, the subject of the security created in favour of the Secured Party by or pursuant to this Debenture
CQC:	the Care Quality Commission established under the 2008 Act or such other successor or body established as the independent regulator of health and social care in England

Enforcement Date: the date on which the Secured Party commences enforcement of this Deed under and in accordance with clause 12

Fixed Plant and Equipment: all plant, machinery or equipment of the Chargor of any kind which does not for any reason constitute a Fixture, but is now or at any time directly or indirectly attached by any means and for any purpose to any land or building, whether or not it is removable or intended to form part of the land or building

Fixtures: all things of any kind now or at any time affixed to the Land for any purpose, including, without limitation, trade and tenants fixtures

Group: the Chargor and each of its subsidiaries

Insurances: The proceeds of any policy of insurance or assurance in which the Chargor has an interest (other than third party or public liability insurances or directors and officers insurances) and all claims and rebates of premium under any such policy in each case which are ultimately payable to the Chargor

Intellectual Property means any of the following in which the Chargor has an interest:

- (a) any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents, trademarks, service marks, registered designs, and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above
- (b) any invention, copyright, design right or performance right
- (c) any trade secrets, know-how and confidential information and
- (d) the benefit of any agreement or licence for the use of any such right

Land: any estate (including the Premises), right or interest in or over land, whether legal or equitable, and wherever the land is situated including, without limitation, any buildings and Fixtures on the Land, and the benefit of any covenants or rights owed to any person or enforceable by him by virtue of the

ownership possession or occupation of land but for these purposes "Land" excludes heritable property situated in Scotland

Lease: a lease dated the same date as this Debenture entered into between the Secured Party and the Chargor relating to the Premises

Lease Documents:

- (a) the Lease
- (b) the Portfolio Agreement
- (c) any document expressly stated to be supplemental and ancillary to the Lease or the Portfolio Agreement and
- (d) any document designated as a Lease Document by the Secured Party and the Chargor

Local Authority Contracts: all local authority residency contracts

Loose Plant and Equipment: in relation to the Chargor, all plant, machinery, equipment and motor vehicles now or at any time owned by the Chargor as a capital asset which is not Fixed Plant and Equipment

LPA: the Law of Property Act 1925

Material Contracts:

- (a) each Care Contract; and
- (b) any other agreement designated in writing as a Material Contract by the Secured Party and the Chargor each acting reasonably

Material Failure: the Care Home or the Chargor fails to achieve the standards of care expected by the CQC and:

- (a) the seriousness of the failure is such that any public body responsible for the provision of social and/or health care would properly seek to terminate its arrangements with the failing party forthwith and
- (b) the failure results in a Resident being placed at significant risk of suffering, harm or injury or any other material damage to their physical, mental, emotional and/or financial wellbeing and

- (c) in the reasonable opinion of the Secured Party the failure demonstrates the existence of significant and on-going failures within the Chargor's organisation that place Residents at risk

Monetary Claims:	all book and other debts and monetary claims now or in the future owing to the Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, and together with all cheques, bills of exchange, negotiable instruments, credits and securities at any time given in relation to, or to secure payment of, any such debt
Notice of Charge:	a notice of charge in such form as may be specified by the Secured Party (acting reasonably) including in relation to the Blocked Account, in the form set out in Schedule 2
Occupational Rent:	all amounts payable to or for the benefit of the Chargor by way of rent or licence fee, service charge, dilapidations, ground rent and rent charge in respect of any part of the Premises whether under an Occupational Lease Document or otherwise and all other monies payable to or for the benefit of the Chargor in respect of the occupation or use of any part of the Premises
Occupational Lease Document:	any tenancy or licence to occupy or any agreement for any of the same from time to time granted or entered into by the Chargor in respect of any part of the Premises and any licence, consent or approval given thereunder
Portfolio Agreement:	a portfolio agreement dated 29 March 2018 and originally made between MedicX HealthFund Subco 1 Limited and Caring Homes (Benson) Limited
Premises:	the premises described in the Lease
Principal Rent:	has the meaning given to it in the Lease
Receiver:	any receiver, receiver and manager or administrative receiver of the whole or any part of the Charged Property
Rental Income:	means the Principal Rent payable by the Chargor to the

Secured Party in accordance with the terms of the Lease

Residents: the service users for the time being resident in the Care Home, whether private paying or placed by a local authority, the NHS or other body that has placed a resident in the Care Home

Resident Contracts: all contracts for the provision of care home services

Related Rights: in relation to any Charged Property:

- (a) the proceeds of sale of any part of that Charged Property
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that Charged Property
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that Charged Property and
- (d) any moneys and proceeds paid or payable in respect of that Charged Property

Secured Liabilities: all present and future liabilities and obligations of the Chargor to the Secured Party (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever and whether or not the Secured Party was the original creditor in respect thereof) under and in connection with the Lease Documents and this Debenture howsoever arising including (without limitation) interest, commission, costs, charges and expenses charged by the Secured Party at rates agreed between it and the Chargor from time to time

Securities: all the right, title and interest of the Chargor, now or in the future, in any:

- (a) stocks, shares, bonds, debentures, loan stocks, or other securities issued by any person
- (b) warrants, options or other rights to subscribe, purchase or otherwise acquire any stocks, shares, bonds, debentures, loan stocks or other securities or investments issued by any person and

- (c) units or other interests in any unit trust or collective investment scheme

Security: a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

Termination Event: any of the following:

- (a) the occurrence of an event specified in clause 7.1(a) of the Lease
- (b) the occurrence of an event specified in clause 7.1(b) of the Lease **PROVIDED THAT** the Secured Party has become lawfully entitled to forfeit the Lease
- (c) the occurrence of any event specified in clauses 7.1(c) to 7.1(e) (inclusive) of the Lease
- (d) the occurrence of a Material Failure
- (e) a breach of any of clauses 2.1, 3 or 6 in the Portfolio Agreement or
- (f) a failure to provide the information referred to in clause 2.2 of the Portfolio Agreement within 20 Working Days of notification from the Investor to the Company of the relevant breach of the requirements of clause 2.2 of the Portfolio Agreement

Working Day: any day from Monday to Friday (inclusive) which is not Christmas Day, New Year's Day, Good Friday or a statutory bank holiday in England and "Working Days" shall be construed accordingly.

1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Debenture, all words and expressions defined or whose interpretation is provided for in the Lease Documents shall have the same meanings in this Debenture.

1.3 Interpretation

In this Debenture, unless the context otherwise requires:

- (a) words importing the singular shall include the plural and vice versa and reference to any gender includes the other gender;
- (b) the term "assets" includes all property, rights and revenues whatsoever, and wheresoever, present and future;
- (c) references to a "guarantee" include an indemnity or any other form of surety;
- (d) all references to documents include all variations and replacements of such documents and supplements to such documents;
- (e) all references to a party include references to its personal representatives, permitted assigns and transferees and its successors in title;
- (f) references to persons include bodies corporate, unincorporated associations and partnerships;
- (g) words and phrases defined in the Companies Act 2006 have the same meanings in this Debenture but the word "company" includes any body corporate; and
- (h) a Termination Event is "continuing" if it has not been remedied to the satisfaction of the Secured Party.

1.4 Statutes and headings

In this Debenture:

- (a) any reference to any statute or statutory instrument includes any enactment replacing or amending it or any instrument, order or regulation made under it and also includes any past statutory provisions (as from time to time modified or re-enacted) which such provision has directly or indirectly replaced; and
- (b) headings are for reference purposes only and shall not affect the construction of anything in this Debenture.

1.5 Clauses and Schedules

In this Debenture references to "clauses" are to the clauses or sub-clauses of this Debenture and references to the "Schedule" are to the schedule to this Debenture. The Schedule shall be treated as an integral part of this Debenture and references to this Debenture shall include the Schedule.

2. COVENANT TO PAY

- 2.1 The Chargor covenants that it will pay and discharge any or all of the Secured Liabilities when due and payable under the Lease Documents or this Debenture.
- 2.2 The Chargor covenants to pay interest to the Secured Party upon any sum due but unpaid under a Lease Document from the date on which such sum was due for payment until payment (both before and after any judgment) at a rate of two per cent per annum.
- 2.3 All Secured Liabilities shall be paid in full without any deduction or withholding whether on account of any taxes, duties, levies or charges or otherwise unless the Chargor shall be required by law to make such deduction or withholding in which case the amount so payable shall be increased to the extent necessary so that the amount receivable after deduction or withholding is equal to the amount which would have been receivable had no such deduction or withholding been required

3. CHARGES

3.1 Mortgages and Fixed Charges

As a continuing security for payment of the Secured Liabilities, the Chargor with full title guarantee charges to the Secured Party all its right, title and interest from time to time in each of the following assets:

- (a) by way of first legal mortgage all Land which is described in Schedule 1 (if any) and all other Land now vested in the Chargor;
- (b) by way of first fixed charge all other Land now vested in the Chargor (to the extent not effectively charged by clause (a)) and all Land acquired by the Chargor after the date of this Debenture;
- (c) by way of first fixed charge:
- (i) the Securities;
 - (ii) the Intellectual Property;
 - (iii) the Monetary Claims;
 - (iv) the Fixed Plant and Equipment;
 - (v) the Loose Plant and Equipment;
 - (vi) the Accounts;
 - (vii) the Insurances;

- (viii) the Related Rights under or in connection with the Securities, the Accounts, the Insurances, the Intellectual Property, the Monetary Claims, the Fixed Plant and Equipment and the Loose Plant and Equipment; and
- (ix) its present and future goodwill and uncalled capital.

3.2 Assignments

The Chargor hereby assigns and agrees to assign (subject to a right of re-assignment upon full and final discharge of the Secured Liabilities) by way of security to the Secured Party with full title guarantee for the payment and discharge of the Secured Liabilities all the Chargor's right, title and interest in, to and under each of the following present and future assets:

- (a) the benefit of each of the Material Contracts and the benefit of any guarantee or security for the performance of each Material Contract;
- (b) all its rights and interests in the Occupational Rent and the benefit of any guarantee or security in respect of the Occupational Rent;
- (c) all its rights and interests in and claims under the Insurances;
- (d) all rights and claims in relation to any Charged Property including, without limitation, all rights and claims against any lessees, tenants, sub-lessees, sub-tenants, licensees or occupiers of any Premises forming the Charged Property any from time to time and all guarantors and sureties for the obligations of such persons (whether under the Occupational Lease Documents or otherwise);
- (e) the benefit of all contracts, deeds, undertakings, agreements, rights, warranties, securities, covenants, guarantees, bonds and indemnities of any nature now or at any time enjoyed or held by the Chargor and relating to the Charged Property and all compensation paid in relation to the Charged Property and all VAT payable on the same;
- (f) the benefit of any development documents and all undertakings, agreements, rights, warranties, securities, covenants, guarantees, bonds and indemnities of any nature now or at any time enjoyed or held by the Chargor;
- (g) all claims, remedies, awards or judgments paid or payable to the Chargor (including, without limitation, all liquidated and ascertained damages payable to the Chargor under the above),

PROVIDED THAT, in each case, to the extent (If any) that the benefits, rights, titles, claims and interests assigned under this clause 3.2 are not assignable, such assignment will operate as an assignment of all proceeds received by the Chargor in connection with such benefits, rights, titles, claims and interests.

3.3 Floating Charge

As continuing security for payment of the Secured Liabilities, the Chargor with full title guarantee charges by way of first floating charge the whole of the Chargor's undertaking and assets, present and future and wherever situated, which are not for any reason effectively charged (whether in law or equity) by way of fixed security by this Debenture, including, without limitation, any heritable property of the Chargor situated in Scotland.

3.4 Trust

If or to the extent that for any reason the assignment or charging of any Charged Property is prohibited, the Chargor shall hold it on trust for the Secured Party.

3.5 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Debenture.

4. CRYSTALLISATION OF FLOATING CHARGE

4.1 Crystallisation: By Notice

The Secured Party may at any time by notice in writing to the Chargor convert the floating charge created by clause 3.3 with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- (a) the Enforcement Date has occurred;
- (b) the Secured Party considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- (c) the Secured Party considers that it is necessary in order to protect the priority of the Security created by or pursuant to this Debenture.

4.2 Crystallisation: Automatic

The floating charge created by clause 3.3 will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets subject to the floating charge if:

- (a) the Chargor creates or attempts to create any Security (other than as permitted pursuant to the terms of the Lease Documents) over any of the Charged Property; or
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property; or

- (c) any step is taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of the Chargor, over all or any part of its assets, or if such person is appointed.

4.3 Crystallisation: Moratorium where directors propose voluntary arrangement

The floating charge created by clause 3.3 may not be converted into a fixed charge solely by reason of:

- (a) the obtaining of a moratorium; or
 - (b) anything done with a view to obtaining a moratorium,
- under Schedule A1 to the Insolvency Act 1986.

5. PERFECTION OF SECURITY

5.1 Notices of Charge

- (a) The Chargor shall, on or at any time after the Enforcement Date promptly on request by the Secured Party, deliver to the Secured Party (or procure delivery of) Notices of Charge duly executed by, or on behalf of, the Chargor:
 - (i) in respect of the Insurances;
 - (ii) in respect of any Account (other than the Blocked Account);
 - (iii) in respect of any other asset which is the subject of a charge pursuant to clause 3.1(c) and 3.2, promptly upon the request of the Secured Party from time to time,and in each case shall use reasonable endeavours to procure that each notice is acknowledged by the party to whom such Notice of Charge is addressed.
- (b) The Chargor shall, within 5 Working Days of the date on which the Blocked Account is opened, give a Notice of Charge (in the form set out in Schedule 2) in relation to the Secured Party's charge over the Blocked Account to the person at which such account is maintained and procure that such party acknowledges the Notice of Charge.

5.2 Delivery of Documents of Title

The Chargor shall upon the execution of this Debenture (or, if later, upon receipt or entitlement thereof), deposit with the Secured Party and the Secured Party during the continuance of this security shall be entitled to hold all deeds, certificates and other

documents of title relating to Land, the Securities and the Insurances. In the case of the Securities, the Chargor shall also deliver such stock transfer forms or other instruments of transfer (stamped and executed in blank by the Chargor) as the Secured Party may request.

5.3 Application to the Land Registry

The Chargor and the Secured Party apply to the Land Registry for the following to be entered into on the register of the title to any Land now or in the future owned by the Chargor:

- (a) a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated *[insert date of charge]* 2019 in favour of Horsell (2015) Limited referred to in the charges register, or if appropriate, signed on such proprietor's behalf by an authorised signatory of Horsell (2015) Limited";

- (b) a notice that the Secured Party is under an obligation to make further advances on the terms and subject to the conditions of the Lease Documents and the security created by the charge dated *[insert date]* 2019 in favour of Horsell (2015) Limited has been created for the purpose of securing such further advances.

6. FURTHER ASSURANCE

6.1 General

The Chargor shall, at its own expense, at any time when required by the Secured Party, execute and deliver to the Secured Party:

- (a) a valid legal mortgage of any Land now or in the future owned by the Chargor and which is not validly mortgaged under clause 3;
- (b) a fixed charge over any interest, not capable of being charged by way of legal mortgage, in any Land now or in the future belonging to the Chargor and which is not validly subject to a fixed charge under clause 3;
- (c) a legal assignment over all or any of the Charged Property and which is not validly assigned under clause 3; and
- (d) where any of its assets are situated outside England and Wales, such fixed security (or such security in that jurisdiction most closely akin to fixed security) under the law of the place where the asset is situated as the Secured Party may require;

- (e) a notice to any third party of any of the charges or assignments created by or pursuant to this Debenture in respect of all Insurances, Accounts and Material Contracts,

in each case, in the Secured Party's standard form or such other form as the Secured Party may require.

6.2 Other acts

Without prejudice to clause 6.1 (General), the Chargor shall, at its own expense, at any time when required by the Secured Party, do and concur in all acts or things as the Secured Party may deem necessary for the purpose of the creation, perfection, protection or maintenance of any of the Security intended to be created by this Debenture over all or any of the Charged Property or to facilitate the enforcement of that Security, or the exercise of any powers or discretions intended to be vested in the Secured Party or any Receiver by this Debenture.

7. RESTRICTIONS ON DEALING

7.1 Negative Pledge

The Chargor undertakes that it shall not, at any time during the subsistence of this Debenture, create or permit to subsist any Security over all or any part of the Charged Property, except as expressly permitted under the terms of the Lease Documents.

7.2 Disposals

- (a) Subject to clause 7.2(b), the Chargor undertakes that it shall not (and shall not agree to) at any time during the subsistence of this Debenture, except as expressly permitted under the terms of the Lease Documents, sell, transfer, assign, lease or hire out, factor, discount, licence lend, part with its interest in or otherwise dispose of any of the Charged Property or permit the same to occur, or agree to do any of the foregoing, **PROVIDED THAT**, until:

- (i) the floating charge created by clause 3.3 is converted into a fixed charge; or
- (ii) the occurrence of the Enforcement Date,

the Chargor may hold, enjoy and deal with, in accordance with the Lease Documents, the Charged Property which is not at the relevant time expressed to be subject to a fixed charge or mortgage.

- (b) clause 7.2(a) shall not apply to any sale, transfer, assignment, lease or hire out, factoring, discounting, licencing, lending or parting with its interest in or otherwise disposing:

- (i) of trading stock or cash in the ordinary course of trading of the Chargor;
- (ii) of assets in exchange for other assets comparable or superior as to type, value and quality;
- (iii) of obsolete or redundant vehicles, plant and equipment for cash;
- (iv) any other sale, lease, licence transfer or other disposal permitted under any Lease Document;
- (v) of any asset from the Chargor to another entity which has also granted Security over all of its assets and undertaking in favour of the Secured Party.

8. MATERIAL CONTRACTS AND INTELLECTUAL PROPERTY

8.1 Performance

The Chargor will remain liable to perform and will perform all the obligations to be performed in respect of any of the Material Contracts and the Secured Party will have no obligation of any kind whatsoever in relation to them or be under any liability whatsoever in the event of any failure by the Chargor to perform its obligations in respect of them.

8.2 No amendments

Save as permitted under the Lease, the Chargor will not without the prior written consent of the Secured Party:

- (a) amend, supplement, novate or waive any provision of or terminate any Material Contract where such amendment, supplement, novation or waiver would materially and adversely affect the rights of the Secured Party; or
- (b) do anything which might jeopardise in any material respect the enforceability of any Material Contract.

8.3 Intellectual Property

Whilst the provisions of this Debenture create security over the Chargor's right, title and interest from time to time in the Intellectual Property, it is acknowledged by the parties that any right that the Chargor has to use the trademark "Caring Homes" (or any derivation thereof or any logo in connection therewith) is granted to the Chargor on terms such that the right can be terminated at any time and the Chargor will have no right to use such Intellectual Property following the Enforcement Date.

9. SECURITIES

9.1 Securities: After Enforcement Date

After the occurrence of the Enforcement Date, the Secured Party may at its discretion (in the name of the Chargor or otherwise and without any further consent or authority from the Chargor):

- (a) exercise (or refrain from exercising) any voting rights in respect of the Securities;
- (b) apply all dividends, interest and other monies arising from the Securities in accordance with clause 15;
- (c) transfer the Securities into the name of such nominee(s) of the Secured Party as it shall require; and
- (d) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Securities,

in each case, in such manner and on such terms as the Secured Party may think fit, and the proceeds of any such action shall form part of the Charged Property.

9.2 Securities: Payment of Calls

The Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Securities which are not fully paid (unless reasonably contested), and in any case of default by the Chargor in such payment, the Secured Party may, if it thinks fit, make such payment on behalf of the Chargor in which case any sums paid by the Secured Party shall be reimbursed by the Chargor to the Secured Party on demand and shall carry interest from the date of payment by the Secured Party until reimbursed at the rate notified to the Chargor by the Secured Party.

9.3 Securities: Exercise of Rights

The Chargor shall not exercise any of its respective rights and powers in relation to any of the Securities in any manner which, in the opinion of the Secured Party, would prejudice the

effectiveness of, or the ability of the Secured Party to realise, the Security created by or pursuant to this Debenture.

10. MONETARY CLAIMS

10.1 No dealing with Monetary Claims

The Chargor shall not:

- (a) at any time after a Termination Event; or
- (b) otherwise other than in the ordinary course of business,

without the prior written consent of the Secured Party or as permitted pursuant to the terms of the Lease Documents, sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims or enter into any agreement to do any of the foregoing.

10.2 Proceeds of Monetary Claims

The Chargor shall get in and realise the Monetary Claims in the ordinary course of business and pay the proceeds of those Monetary Claims into an Account.

11. ACCOUNTS

11.1 Accounts: Notification and Variation

The Chargor, during the subsistence of this Debenture:

- (a) shall promptly deliver to the Secured Party on the date of this Debenture (and, if any change occurs after the date of this Debenture, on that date), details of each Account maintained by it with any bank or financial institution; and
- (b) shall not, without the Secured Party's prior written consent, permit or agree to any variation of the rights attaching to any Account or close any Account unless such account closure is notified in advance to the Secured Party.

12. DEMAND AND ENFORCEMENT

12.1 Enforcement

This Debenture shall become enforceable in respect of and against the Chargor following the occurrence of a Termination Event that is continuing.

12.2 Demand for payment

Any demand for payment, and any other notice to be given by the Secured Party under this Debenture, shall be in writing and may be signed by any authorised signatory on behalf of the Secured Party, and made or given in accordance with clause 22.

12.3 Powers on enforcement

At any time after this Debenture has become enforceable, the Secured Party may (without prejudice to any other rights and remedies and without notice to the Chargor) do all or any of the following:

- (a) exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Debenture, without the restrictions contained in sections 103 or 109(1) of the LPA; and
- (b) exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Charged Property, without the restrictions imposed by sections 99 and 100 of the LPA.

13. RECEIVERS

13.1 Appointment

At any time after this Debenture has become enforceable in respect of and against the Chargor, the Secured Party may appoint any person or persons to be a Receiver or Receivers of all or any part of the Charged Property of the Chargor charged under this Debenture or an administrator of the Chargor. An appointment over part only of such Charged Property shall not preclude the Secured Party from making any subsequent appointment over any other part of such Charged Property.

13.2 Appointment in writing

The appointment of a Receiver shall be in writing, and may be signed by any authorised signatory on behalf of the Secured Party. Where more than one person is acting at any time as Receiver, they shall have power to act severally as well as jointly.

13.3 Remuneration

The Secured Party may from time to time determine the remuneration of the Receiver (which shall not be subject to the limit in section 109(6) of the LPA) and may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Charged Property of which he is the Receiver and at any time

appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

13.4 Powers

The Receiver shall be the agent of the Chargor (which shall be solely liable for his acts, defaults and remuneration) unless and until the Chargor goes into liquidation from which time he shall act as principal and shall not become the agent of the Secured Party, and the Receiver shall have and be entitled to exercise in relation to the Charged Property all the powers:

- (a) conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA;
- (b) of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- (c) and rights that an absolute owner would have in relation to any Charged Property; and
- (d) to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

14. POWER OF ATTORNEY

14.1 Appointment

The Chargor hereby irrevocably and by way of security appoints:

- (a) the Secured Party (whether or not a Receiver has been appointed); and also
- (b) (as a separate appointment) each Receiver,

severally as the attorney and attorneys of the Chargor with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of the Chargor, which the Chargor is required to do or execute under any provision of this Debenture and which the Chargor has failed to do or execute in accordance with the terms of this Debenture which the Secured Party in its sole opinion may consider necessary for perfecting the Secured Party's title to any of the Charged Property of the Chargor or enabling the Secured Party or the Receiver to exercise any of its or his rights or powers under this Debenture.

14.2 Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in clause 14.1 shall do or purport to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in clause 14.1.

15. APPLICATION OF MONEYS

15.1 Application of moneys

All sums received by virtue of this Debenture by the Secured Party or the Receiver shall, subject to the payment of any claim having priority to this Debenture, be paid or applied in the following order of priority:

- (a) first, in or towards satisfaction of all costs, charges and expenses incurred and payments made by the Secured Party, or the Receiver (including, without limitation, legal expenses) and of the remuneration of the Receiver;
- (b) secondly, in or towards payment of the Secured Liabilities in such order as the Secured Party may at its discretion require; and
- (c) thirdly, as to the surplus (if any), to the Chargor,

and section 109(8) of the LPA shall not apply.

16. PROTECTION OF THIRD PARTIES

16.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Secured Party, as varied and extended by this Debenture, and all other powers of the Secured Party, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Debenture.

16.2 Purchasers

No purchaser from or other person dealing with the Secured Party, any person to whom it has delegated any of its powers, or the Receiver shall be concerned to enquire whether any of the powers which they have exercised has arisen or become exercisable, or whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act or as to the propriety or validity of the exercise of any such power, and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

16.3 Receipts

The receipt of the Secured Party or the Receiver shall be an absolute and conclusive discharge to a purchaser or any other person dealing with the Secured Party.

17. PROTECTION OF THE SECURED PARTY AND ANY RECEIVER

17.1 No liability

The Secured Party and any Receiver shall not be liable in respect of any loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise any of their respective powers under this Debenture, save in the case of fraud negligence or wilful default.

17.2 Not mortgagee in possession

Without prejudice to any other provision of this Debenture, entry into possession of any Charged Property shall not render the Secured Party or the Receiver liable:

- (a) to account as mortgagee in possession;
- (b) for any loss on realisation; or
- (c) for any default or omission for which a mortgagee in possession might be liable,

and if and whenever the Secured Party or the Receiver enters into possession of any Charged Property it shall be entitled at any time it or he thinks fit to go out of such possession.

17.3 Indemnity

The Chargor shall indemnify and keep indemnified the Secured Party, every Receiver, and any person who acts as the servant, agent, delegate or attorney of any of them, against all claims, costs, expenses and liabilities which they may suffer or incur arising in any way out of the taking or holding of this Debenture, the exercise or purported exercise of any right, power, authority or discretion given by it, or any other act or of the Chargor or any person who acts as the servant, agent, delegate or attorney of the Chargor in breach of this Debenture.

17.4 Currency protection

If any amount due to be paid to the Secured Party is, for any reason, paid in a currency (the "currency of payment") other than the currency in which it was expressed to be payable (the "contractual currency"), the Secured Party may wherever it thinks fit apply the amount of the currency of payment received by it in the purchase, in accordance with its normal practice, of the contractual currency, and if this results in any shortfall below the amount due in the contractual currency, after deducting all taxes, costs and commissions payable in connection with that purchase, the Chargor shall indemnify the Secured Party against the amount of the shortfall.

17.5 Continuing protection

The provisions of this clause 17 shall continue in full force and effect notwithstanding any release or discharge of this Debenture, or the discharge of any Receiver from office.

18. PROVISIONS RELATING TO THE SECURED PARTY

18.1 Powers and discretions

The rights, powers and discretions given to the Secured Party in this Debenture:

- (a) may be exercised as often as, and in such manner as, the Secured Party thinks fit;
- (b) are cumulative, and are not exclusive of any of its rights under the general law; and
- (c) may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

18.2 Certificates

A certificate by an authorised officer of the Secured Party as to any sums payable to the Secured Party under this Debenture shall (save in the case of manifest error) be conclusive and binding upon the Chargor for all purposes.

18.3 Assignment

The Secured Party may assign this Debenture to any successor in title to any of the Secured Liabilities and in accordance with the terms of the Lease Documents and the Secured Party may disclose any information in its possession relating to the Chargor, its affairs or the Secured Liabilities to any actual or prospective assignee.

18.4 Delegation

The Secured Party may at any time and from time to time delegate by power of attorney or in any other manner to any person or persons all or any of the rights, powers and discretions which are for the time being exercisable by it under this Debenture.

19. PRESERVATION OF SECURITY

19.1 Continuing Security

Until expressly discharged in writing by the Secured Party in accordance with clause 20.1, this Debenture shall be a continuing security to the Secured Party and shall remain in force until expressly discharged in writing by the Secured Party notwithstanding any intermediate or settlement of account or other matter or thing whatsoever and shall be without prejudice

and in addition to any other right, remedy or Security of any kind which the Secured Party may have now or at any time in the future for or in respect of any of the Secured Liabilities.

19.2 No Merger

This Debenture is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Secured Party may at any time hold for any other Secured Liabilities.

19.3 Waiver of Defences

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

- (a) any time, waiver or consent granted to, or composition with, the Chargor or other person;
- (b) the release of the Chargor or any other person under the terms of any composition or arrangement with any person;
- (c) the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of the Chargor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person;
- (e) any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Lease Document, guarantee or any other document or Security;
- (f) any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Lease Document, guarantee or any other document; or
- (g) an insolvency, liquidation, administration or similar procedure.

19.4 Order of Recourse

This Debenture may be enforced against the Chargor without the Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to any of them.

19.5 Suspense Accounts

The Secured Party may, without prejudice to any other rights it may have, at any time and from time to time place (and keep for such time as it may think prudent) any moneys received, recovered or realised under or by virtue of this Debenture on a separate or suspense account to the credit either of the Chargor or, at the sole discretion of the Secured Party if any event described in clause 11.1 has occurred and is continuing, of the Secured Party as the Secured Party shall think fit without any intermediate obligation on the Secured Party's part to apply the same or any part of it in or towards the discharge of the Secured Liabilities.

19.6 New Accounts

If the Secured Party receives notice of any subsequent charge or other security interest affecting any of the Charged Property, the Secured Party shall be entitled to close the Chargor's then current account or accounts and to open a new account or accounts for the Chargor. If the Secured Party does not open a new account or accounts immediately on receipt of such notice it shall nevertheless be treated as if it had done so at the time when it received such notice, and as from that time all payments made for the credit of the Chargor shall be credited or be treated as having been credited to such new account or accounts and shall not operate to reduce the amount due from the Chargor to the Secured Party at the time when it received such notice.

19.7 Tacking

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Secured Party confirms that it shall make further advances to the Chargor on the terms and subject to the conditions of the Lease Documents.

19.8 Reinstatement

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

- (a) the liability of the Chargor and the Security created by this Debenture shall continue as if the payment, discharge, avoidance or reduction had not occurred; and

- (b) the Secured Party shall be entitled to recover the value or amount of that Security or payment from the Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

20. RELEASE

20.1 Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and provided that no further Secured Liabilities are capable of arising, the Secured Party shall, or shall procure that its appointees will, at the request and cost of the Chargor:

- (a) release the Charged Property from this Debenture; and
- (b) re-assign the Charged Property that has been assigned to the Secured Party under this Debenture.

20.2 Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Debenture.

21. MISCELLANEOUS PROVISIONS

21.1 Severability

If any provision of this Debenture is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:

- (a) the validity or enforceability of any other provision, in any jurisdiction; or
- (b) the validity or enforceability of that particular provision, in any other jurisdiction.

21.2 Costs, charges and expenses

All costs, charges and expenses incurred or paid by the Secured Party or by the Receiver in the exercise of any power or right given by this Debenture or in relation to any consent requested by the Chargor, or in perfecting or otherwise in connection with this Debenture, the other Lease Documents or the Charged Property, all sums recoverable under clause 17 and all costs of the Secured Party (on an indemnity basis) of all proceedings for the enforcement of this Debenture or for obtaining payment of moneys by this Debenture secured, shall be recoverable from the Chargor as debts and shall bear interest from demand until payment at the rate of two per cent per annum.

21.3 Contracts (Rights of Third Parties) Act 1999

The Secured Party, any Receiver and their respective officers, employees and agents may enforce any term of this Debenture which purports to confer a benefit on that person, but no other person who is not a party to this Debenture has any 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 Debenture.

21.4 Counterparts

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

22. NOTICES

22.1 Communications in Writing

Each communication to be made under or in connection with this Debenture shall be made in writing and, unless otherwise stated, shall be made by letter.

22.2 Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) for any communication or document to be made or delivered under or in connection with this Debenture is:

- (a) in the case of each Chargor, that identified with its name below; or
- (b) in the case of the Secured Party, that identified with its name below;

or any substitute address, or department or officer as the Chargor may notify to the Secured Party (or the Secured Party may notify to the Chargor, if a change is made by the Secured Party) by not less than five Working Days' notice.

22.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Debenture will only be effective when it has been left at the relevant address or five Working Days after being deposited in the post postage prepaid in an envelope addressed to it at that address and, if a particular department or officer is specified as part of its address details provided under clause 22.2 of this Debentures if addressed to that department or officer.
- (b) Any communication or document to be made or delivered to the Secured Party will be effective only when actually received by the Secured Party and then only if it is expressly marked for the attention of the department or officer identified with the Secured Party's signature below (or any substitute department or officer as the Secured Party shall specify for this purpose).

22.4 English language

- (a) Any notice given under or in connection with this Debenture must be in English.
- (b) All other documents provided under or in connection with this Debenture must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Secured Party or their agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

23. GOVERNING LAW

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

EXECUTED AND DELIVERED AS A DEED by the Chargor and executed by the Secured Party on the date set out at the beginning of this Debenture.

EXECUTED as a DEED by HORSELL (2015))
LIMITED acting by a director in the presence of)
a witness:)

Signature of Witness:

Name:

Address:

Occupation:

AB Schofield

McAuliffe
Peter McAuliffe

830 THE CRESCENT WORCHESTER
DIRECTOR

EXECUTED as a DEED by AVOM CARE LIMITED)
acting by a director in the presence of a)
witness:)

Signature of Witness:

Name:

Address:

Occupation:

McAuliffe

AB Schofield
NBSCHOFIELD

870 THE CRESCENT COLDHURST
Apd Director *COF-970*

SCHEDULE 1

Details of Land

All those premises known as Horsell Lodge Residential Care Home, Kettlewell Hill, Woking GU21 4JA with title number SY621458

SCHEDULE 2

Part 1 - Form of notice of assignment of Insurances

To: [Insurer]

Date: []

Notice of assignment

We hereby give notice that by a debenture dated [] made between [] ("the Chargor") (1) and [] ("the Secured Party") (2) ("the Debenture") that the Chargor has assigned in favour of the Secured Party all its rights, title and interest in and to the proceeds of [insert details of insurance policy] ("the Policy").

We hereby instruct you with effect from the date you receive this notice to:

1. make all payments under or in respect of the Policy that are payable to the Chargor, to the Secured Party or as the Secured Party may specify in writing from time to time;
2. disclose to the Secured Party without further approval from us such information regarding the Policy as the Secured Party may from time to time request; and
3. send a copy of all notices issued by you in respect of the Policy to the Secured Party.

All rights, interests and benefits accruing to the Chargor under the Policy belong to and are exercisable by the Secured Party.

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

This letter and all non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of England.

Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing and returning a copy of this letter addressed to us and to the Secured Party in the form attached hereto.

Yours faithfully

.....
Authorised signatory for and on behalf of
[Chargor]

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

Form of acknowledgement of assignment of Insurances

To: [Secured Party]

Date: []

We acknowledge receipt of the notice dated [] ("the Notice") and addressed to us by [] ("the Chargor") in relation to the Policy (as defined in the Notice) and we accept the instructions and authorisations contained in the Notice and confirm that:

1. we shall comply with the terms of the Notice;
2. we have not received notice of any other interest relating to the Chargor's interest in the Policy; and
3. no amendment or termination of the Policy shall be effective until the expiry of 30 days after the date we have given the Secured Party written notice of such amendment or termination.

We confirm that:

4. the Policy is in full force and effect;
5. as at the date of this letter, the insurance premium payable in relation to the Policy is paid up to date;
6. the Policy contains a provision to the effect that the relevant insurances shall not be invalidated or otherwise terminated or cancelled or the cover thereunder reduced as against the Secured Party for non-payment of any premium due or for other cause without the insurer first giving to the Secured Party 30 days' prior written notice;
7. the Policy contains a standard mortgagee protection clause whereby, among other things, the relevant insurances shall not be vitiated or avoided as against a mortgagee notwithstanding that it could otherwise be so against the Chargor;
8. the Policy will not be prejudiced, vitiated or avoidable as against a mortgagee in the event of any misrepresentation, act or neglect or failure to disclose on the part of the insured party or parties;
9. a waiver of the rights of subrogation of the insurer as against the Chargor and the Secured Party (save in their respective capacities as the insured) and the tenants of the property to which the Policy relates; and
10. under the terms of the Policy, neither the Secured Party shall not in any circumstances be liable for the relevant premium.

This letter, and all non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, the laws of England.

For and on behalf of

[Insurer]—

Part 2 - Forms of Notice of Charge of Accounts (including the Blocked Account)

Form of Notice of Charge of Blocked Accounts

To: [Account Bank]

Date: []

Dear Sirs,

We give you notice that we have charged to [] ("the Secured Party") all of our right, title and interest in and to account number [], account name [] (including any renewal or re-designation of the account) and all monies standing to the credit of that account from time to time ("the Account").

With effect from the date of your receipt of this notice, we hereby irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions whatsoever which it may have given you to the contrary) as follows:

1. to disclose to the Secured Party without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure, such information relating to the Account and the debt represented thereby as the Secured Party may, at any time and from time to time, request you to disclose to it;
2. to comply with the terms of any written notice, statement or instructions in any way relating or purporting to relate to the Account or the debt represented thereby which you receive at any time and from time to time from the Secured Party or without any reference to or further authority from the Chargor and without any enquiry by you as to the jurisdiction for such notice, statement or instructions or the validity thereof; and
3. to agree and accept all instructions from the Secured Party in connection with any payments from or withdrawals from the Account, at any time and from time to time, and to comply with all such instructions.

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

The instructions in this notice may not be amended or revoked without the prior written consent of the Secured Party.

This letter and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of England and Wales.

Please accept this notice by signing the enclosed acknowledgement and returning it to the Secured Party at [] marked for the attention of [].

Yours faithfully

for and on behalf of
Chargor

[Signature]
[Name]

I, the undersigned, do hereby acknowledge the receipt of the above notice and the contents thereof and I agree to accept the same and to comply with the same.

I, the undersigned, do hereby acknowledge the receipt of the above notice and the contents thereof and I agree to accept the same and to comply with the same.

I, the undersigned, do hereby acknowledge the receipt of the above notice and the contents thereof and I agree to accept the same and to comply with the same.

I, the undersigned, do hereby acknowledge the receipt of the above notice and the contents thereof and I agree to accept the same and to comply with the same.

I, the undersigned, do hereby acknowledge the receipt of the above notice and the contents thereof and I agree to accept the same and to comply with the same.

I, the undersigned, do hereby acknowledge the receipt of the above notice and the contents thereof and I agree to accept the same and to comply with the same.

I, the undersigned, do hereby acknowledge the receipt of the above notice and the contents thereof and I agree to accept the same and to comply with the same.

I, the undersigned, do hereby acknowledge the receipt of the above notice and the contents thereof and I agree to accept the same and to comply with the same.

I, the undersigned, do hereby acknowledge the receipt of the above notice and the contents thereof and I agree to accept the same and to comply with the same.

Form of Acknowledgement of Charge of Blocked Accounts

[on copy only]

To: SECURED PARTY

Date: []

Acknowledgement of notice

Account number: [] (the Account)

We hereby acknowledge receipt of a letter (a copy of which is attached hereto) dated [] ("the Notice") and addressed to us by [] ("the Chargor") and we accept the instructions and authorisations contained in the Notice and undertake to act in accordance and comply with the terms thereof.

We hereby acknowledge and confirm to each of the Chargor and the Secured Party that we have not, as at the date hereof, received any notice that any third party has or will have any right, charge or interest whatsoever in or has made or will be making any claim or demand or taking any action whatsoever against the Account or the debt represented thereby or any part thereof.

We hereby acknowledge and confirm to each of the Chargor and the Secured Party that we have not and will not make any claim or demand or exercise any rights of counterclaim, rights to combine accounts, rights of set-off, lien or any other equities whatsoever against the Chargor in respect of the Account or the debt represented thereby or any part thereof.

We will not permit any withdrawal from the Account without the Secured Party's prior written consent.

We agree that in the event of us receiving notice at any time that any person or entity other than the Secured Party claims to have or claims it will acquire any right or interest whatsoever in the Account or any part thereof we will as soon as is reasonably practicable give written notice of the terms thereof to the Secured Party.

The expressions defined and used in the Notice will have the same meaning when used in this acknowledgement.

This letter and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of England and Wales.

Yours faithfully

.....

Duly authorised signatory for and on behalf of
[Account bank]