

MR01

Particulars of a charge

003867/13



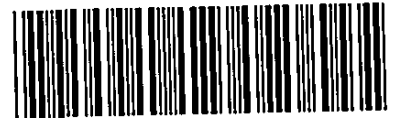
A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

✓ **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 is n
instrument Use form MR08

FRIDAY



S2JQC23V

SCT 25/10/2013 #22
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

1 Company details

Company number 0 7 2 2 3 9 9 9

Company name in full ECG Guest Services Limited

For official use
→ **Filing 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 d4 m1 m0 y2 y0 y1 y3

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 The Hamilton Portfolio (Care Homes) Limited, Hindley House,
Hindley Estate, Stocksfield, Northumberland NE43 7SA

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

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4

Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

N/A

5

Fixed charge or fixed security

Does the instrument include a fixed 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 chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

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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)

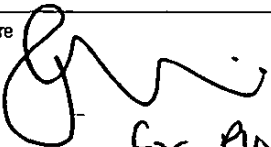
9

Signature

Please sign the form here

Signature

Signature

X  X
for PINSENT MASON'S LLP

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

MR01

Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name **JULIA BLACK**

Company name **PINSENT MASONS LLP**

Address **PRINCES EXCHANGE**

1 EARL GREY STREET

Post town **EDINBURGH**

County/Region

Postcode **E H 3 9 A Q**

Country **UK**

DX **DX ED 723301 EDINBURGH 43**

Telephone **0131 777 7000**



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 £13 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.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7223999

Charge code: 0722 3999 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th October 2013 and created by ECG GUEST SERVICES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th October 2013.

OK

Given at Companies House, Cardiff on 30th October 2013



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

EXECUTION VERSION

DATED 14 October 2013

(1) THE CHARGORS

(2) THE HAMILTON PORTFOLIO (CARE HOMES) LIMITED
(AS LENDER)

DEBENTURE

(25 10 2013) I Julia Black, Solicitor for and on behalf
of Pinsent Masons LLP hereby certify that,
save for the material redacted pursuant to
s 859 G of the Companies Act 2006 this
copy instrument is a true copy of the original
instrument.



Pinsent Masons

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THIS DEBENTURE is made on 14 October 2013

BETWEEN -

- (1) **THE COMPANIES** whose names and registered offices are set out in Schedule 1 (each a "Chargor" and together the "Chargors"), and
- (2) **THE HAMILTON PORTFOLIO (CARE HOMES) LIMITED** (a company registered in England and Wales) with Company Number 07057331 whose registered office is at Hindley House Estate, Stocksfield, Northumberland NE43 7SA (the "Lender").

THIS DEED WITNESSES as follows -

1 INTERPRETATION

1.1 Definitions

In this Debenture -

"Account"	means any account opened or maintained by any Chargor at any bank or financial institution
"Charged Property"	means all the assets and undertaking of the Chargors which from time to time are, or are expressed to be, the subject of the Security created in favour of the Lender by or pursuant to this Debenture
"Corporate Guarantee"	means the corporate guarantee by ECG Guest and Regency in favour of the Lender dated on or around the date of this Debenture (as amended, restated, supplemented or replaced from time to time)
"Deed of Priorities and Subordination"	means the agreement dated on or about the date of this Debenture among ECG (as chargor), the Lender and Northern Edge Limited (as subordinated creditors) and HSBC Bank plc, National Westminster Bank plc, Clydesdale Bank plc (as senior creditors) to regulate their respective claims against ECG and the priorities of their respective security documents (as amended, restated, supplemented or replaced from time to time)
"Default Rate"	means the rate of interest specified in clause 5.4 of the Facility Agreement
"ECG"	means Executive Care Group Limited registered in England with registered number 04441465
"ECG Guest"	means ECG Guest Services Limited registered in England with registered number 07223999
"Facility Agreement"	means the facility agreement dated on or about the date of this Debenture made between ECG and the Lender (as amended, restated, supplemented or replaced from time to time)
"Finance Documents"	means:- (a) the Facility Agreement

	(b) the Corporate Guarantee
	(c) the Deed of Priorities and Subordination
	(d) this Debenture
"Fixed Plant and Equipment"	means all plant, machinery or equipment of any 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"	means all things of any kind now or at any time affixed to land for any purpose, including, without limitation, trade and tenants fixtures
"Insurances"	means any policy of insurance or assurance in which any Chargor has an interest and all claims and rebates of premium under any such policy
"Intellectual Property"	means any of the following in which any Chargor has an interest- <ul style="list-style-type: none"> (a) any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents, trade marks, 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"	means any estate, 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 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
"Loose Plant and Equipment"	means, in relation to any Chargor, all plant, machinery, equipment and motor vehicles now or at any time owned by any Chargor as a capital asset which is not Fixed Plant and Equipment
"LPA"	means the Law of Property Act 1925
"Monetary Claims"	means all book and other debts and monetary claims now or in the future owing to any 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"	means a notice of charge in such form as may be specified by the Lender
"Receiver"	means any receiver, receiver and manager or administrative receiver of the whole or any part of the Charged Property
"Regency"	means Regency Guest Services Limited registered in England with registered number 07224407
"Related Rights"	means in relation to any Charged Property - <ul style="list-style-type: none"> (a) the proceeds of sale of all or 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"	means all present and future liabilities and obligations of any Chargor to the Lender under each of the Finance Documents (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) including without limitation interest, costs, charges and expenses charged by the Lender at rates agreed between it and any Chargor
"Securities"	means all the right, title and interest of any Chargor, now or in the future, in any - <ul style="list-style-type: none"> (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

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 Facility Agreement shall have the same meanings in this Debenture -

1 3 Interpretation

In this Debenture, unless the context otherwise requires -

- 1 3 1 references to the "Chargor", the "Lender" or a "Receiver" includes its permitted assigns and transferees and its successors in title,
- 1 3 2 references to the "Lender" or a "Receiver" (except for references in Clause 15 (*Power of attorney*)) include its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates, and
- 1 3 3 reference to "Clauses" and "Schedules" are to clauses or sub-clauses and schedules of this Debenture

1 4 Deed of Priorities and Subordination

This Debenture is subject to the terms of the Deed of Priorities and Subordination

1 5 Headings

In this Debenture, section, Clause and Schedule headings are for ease of reference only

2 COVENANT TO PAY

2 1 Secured Liabilities

Each Chargor covenants that it will on demand of the Lender pay and discharge any or all of the Secured Liabilities when due

2 2 Interest

Each Chargor covenants to pay interest to the Lender upon any sum demanded in accordance with Clause 2 1 (*Secured Liabilities*) until payment (both before and after any judgment) at the Default Rate

3. CHARGES

3 1 Mortgages and Fixed Charges

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

- 3 1 1 by way of first legal mortgage all Land which is described in Schedule 2 (*Details of Land*) (if any) and all other Land now vested in any Chargor;
- 3 1.2 by way of first fixed charge all other Land now vested in any Chargor (to the extent not effectively charged by Clause 3.1 1) and all Land acquired by any Chargor after the date of this Debenture,
- 3 1.3 by way of first fixed charge -
 - (a) the Securities,
 - (b) the Intellectual Property,
 - (c) the Monetary Claims,

- (d) the Fixed Plant and Equipment,
- (e) the Loose Plant and Equipment,
- (f) the Accounts,
- (g) the Insurances,
- (h) 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
- (i) its present and future goodwill and uncalled capital

3.2 Floating Charge

As continuing security for payment of the Secured Liabilities, each Chargor with full title guarantee charges by way of first floating charge the whole of such Chargor's undertaking and assets 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 hensible property of such Chargor situated in Scotland

3.3 Trust

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

3.4 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

The Lender may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.2 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if -

- 4.1.1 an Event of Default is continuing, or
- 4.1.2 the Lender 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

5 PERFECTION OF SECURITY

5.1 Notices of Charge

The Chargors shall deliver (or procure delivery of) to the Lender of Notices of Charge duly executed by, or on behalf of, the applicable Chargors.-

- 5.1.1 in respect of the Insurances, on the date of this Debenture and promptly upon purchasing any further Insurance after the date of this Debenture,
- 5.1.2 in respect of each Account, on the date of this Debenture and promptly upon the opening of any further Account after the date of this Debenture, and

5 1 3 in respect of any other asset which is the subject of a charge pursuant to Clause 3 1 3, promptly upon the request of the Lender from time to time,

and in each case shall use all reasonable endeavours to procure that each notice is acknowledged by the party to whom it is addressed

5 2 Delivery of Documents of Title

Each Chargor shall upon the execution of this Debenture (or, if later, upon receipt or entitlement thereof), deposit with the Lender (and the Lender 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, each Chargor shall also deliver such stock transfer forms or other instruments of transfer (stamped and executed in blank by the relevant Chargor) as the Lender may request

5 3 The Land Registry

Each Chargor and the Lender apply to the Land Registry for the following to be entered on the register of the title to any Land now or in the future owned by it -

5 3.1 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] in favour of [lender] referred to in the charges register, (Form P)"

5 3.2 a notice that the Lender is under an obligation to make further advances on the terms and subject to the conditions contained in the Finance Documents and the security created by the charge dated [insert date] in favour of The [lender] has been created for the purpose of securing such further advances

6 FURTHER ASSURANCE

6.1 General

Each Chargor shall, at its own expense, at any time when required by the Lender, execute and deliver to the Lender -

6 1 1 a valid legal mortgage of any Land now or in the future owned by any Chargor,

6.1.2 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 any Chargor,

6 1 3 a legal assignment or other fixed Security over all or any of the Charged Property,

6 1.4 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 Lender may require, and

6 1 5 a notice to any third party of any of the charges or assignments created by or pursuant to this Debenture,

in each case, in the Lender's standard form or such other form as the Lender may require

6.2 Other acts

Without prejudice to Clause 6.1 (*General*), each Chargor shall, at its own expense, at any time when required by the Lender, do and concur in all acts or things as the Lender may deem necessary or desirable 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 Lender or any Receiver by this Debenture

7 RESTRICTIONS ON DEALING

7.1 Negative Pledge

Each 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 by the Finance Documents

7.2 Disposals

Each Chargor undertakes that it shall not (and shall not permit or agree to) at any time during the subsistence of this Debenture, except as expressly permitted under the terms of the Finance 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 provided that, until -

7.2.1 the floating charge created by Clause 3.2 (*Floating Charge*) is converted into a fixed charge; or

7.2.2 the occurrence of an Event of Default which is continuing,

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

8 SECURITIES

8.1 Securities: Before Event of Default

Prior to the occurrence of an Event of Default which is continuing, each Chargor shall exercise all voting rights in relation to the Securities for any purpose not inconsistent with the terms of the Finance Documents

8.2 Securities: After Event of Default

After the occurrence of an Event of Default which is continuing, the Lender may at its discretion (in the name of the relevant Chargor or otherwise and without any further consent or authority from the relevant Chargor) -

8.2.1 exercise (or refrain from exercising) any voting rights in respect of the Securities;

8.2.2 apply all dividends, interest and other monies arising from the Securities in accordance with Clause 16 (*Application of Moneys*),

8.2.3 transfer the Securities into the name of such nominee(s) of the Lender as it shall require, and

8 2 4 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 Lender may think fit, and the proceeds of any such action shall form part of the Charged Property

8 3 Securities: Payment of Calls

The Chargors 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 any Chargor in such payment, the Lender may, if it thinks fit, make such payment on behalf of such Chargor. All moneys expended by the Lender in doing so shall be reimbursed by the Chargors to the Lender on demand and shall carry interest from the date of payment until reimbursed at the Default Rate

8 4 Securities: Exercise of Rights

The Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which, in the opinion of the Lender, would prejudice the effectiveness of, or the ability of the Lender to realise, the Security created by or pursuant to this Debenture

9 ACCOUNTS

9 1 Accounts: Notification and Variation

Each Chargor shall, during the subsistence of this Debenture -

9 1 1 promptly deliver to the Lender 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

9 1.2 not, without the Lender'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 Lender

9 2 Accounts: Operation Before Event of Default

Each Chargor shall, prior to the occurrence of an Event of Default which is continuing, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account

9 3 Accounts: Operation After Event of Default

After the occurrence of an Event of Default which is continuing, each Chargor shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Lender.

9 4 Accounts: Application of Moneys

The Lender shall, upon the occurrence of an Event of Default which is continuing, be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 16 (*Application of Moneys*)

10 MONETARY CLAIMS

10 1 No dealing with Monetary Claims

Each Chargor shall not (and shall not permit or agree to) at any time during the subsistence of this Debenture, save with the prior written consent of the Lender or as permitted pursuant to the terms of the Finance Documents, sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims

10 2 Proceeds of Monetary Claims

Each 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 INSURANCES

11 1 Insurances: Undertakings

Each Chargor shall at all times during the subsistence of this Debenture:-

11 1 1 keep the Charged Property insured with those insurances normally maintained by prudent companies carrying on a similar business and with an insurance office or underwriters to be approved by the Lender in writing from time to time and otherwise in accordance with the terms of the Finance Documents,

11 1 2 if required by the Lender, cause each Insurance relating to the Charged Property to contain (in form and substance satisfactory to the Lender) an endorsement naming the Lender as sole loss payee in respect of all claims,

11.1.3 promptly pay or procure the payment of all premiums and other moneys payable under all its Insurances and, promptly upon request, produce (or procure the production) to the Lender a copy of each policy and evidence (acceptable to the Lender) of the payment of such sums and not do or omit to do or permit or suffer to be done or omitted to be done, anything which might render any Insurance required by this clause void, voidable or unenforceable, and

11.1 4 if required by the Lender, provide a copy of all Insurances relating to the Charged Property to the Lender

11 2 Insurance: Default

If any Chargor defaults in complying with Clause 11 1 (*Insurance Undertakings*), the Lender may effect or renew any such Insurance on such terms, in such name(s) and in such amount(s) as it considers appropriate and all moneys expended by the Lender in doing so shall be reimbursed by the Chargor to the Lender on demand and shall carry interest from the date of payment by the Lender until reimbursed at the Default Rate

11 3 Application of Insurance Proceeds

All moneys received under any Insurance relating to the Charged Property shall, prior to the occurrence of an Event of Default which is continuing, be applied in accordance with the terms of the Finance Documents After the occurrence of an Event of Default which is continuing, each Chargor shall hold such moneys upon trust for the Lender pending payment to the Lender for application in accordance with Clause 16 (*Application of Moneys*) and each Chargor waives any right it may have to require that any such moneys are applied in reinstatement of any part of the Charged Property.

12 LAND

Each Chargor shall (with the intent that this Clause 12 (*Land*) apply in relation to all Land now vested in any Chargor or acquired by any Chargor after the date of this Debenture) -

12 1 Repair and Alterations

- 12 1 1 keep or cause to be kept all buildings and Fixtures from time to time on or in any of its Land and all other plant, machinery and equipment belonging to it in good and substantial repair and good working order;
- 12 1 2 not, without the prior written consent of the Lender, make or permit the making of any alteration or addition to any of its Land (other than internal non-structural alterations) or commit or permit any person to commit any waste upon or injure or in any manner or by any means lessen the value of its Land or sever or permit to be severed from any of its Land any Fixtures except for the purpose of replacing them as soon as practicable with others of equal or greater value, and
- 12 1 3 permit any authorised representative of the Lender at any time to enter any of its Land for any purpose without becoming liable to account as a mortgagee in possession and to inspect and test any work being carried out and, where any breach of covenant, defect, disrepair or unauthorised alteration, improvement or addition shall be found, remedy all such breaches and execute all such repairs or removals as the Lender may require within 28 days after notice (or immediately, in case of emergency).

12 2 Statutes

- 12 2.1 comply with the provisions of all statutes and the requirement of any competent authority affecting any of its Land or the use of any of its Land or anything done on any Land, and
- 12 2 2 ensure that all consents and approvals under all statutes and the regulations and codes of practice of any competent authority affecting any of its Land have been obtained and are complied with, and produce on demand such evidence as the Lender may require to satisfy itself that such consents and approvals have been obtained and are complied with,

12 3 Leases

- 12 3 1 pay the rents and observe and perform all covenants, conditions, agreements or obligations on its part to be observed and performed contained in any lease under which any of its Land is held by any Chargor and any licence, consent or approval given under any lease, and use its best endeavours to enforce observance and performance of the lessor's covenants in any lease,
- 12 3 2 not accelerate or defer payment of any moneys payable under any such lease and where any lease contains a provision for the review of rent promptly notify the Lender of any attempt by the lessor to implement a review but not agree the reviewed rent or appoint or agree to the appointment of a third party to determine a rent review without the prior written consent of the Lender;

12 3 3 not to apply for any licence, consent or approval under any such lease or any superior lease without the prior written consent of the Lender; and

12 3 4 promptly give notice to the Lender if any Chargor receives notice under section 146 of the LPA or any proceedings are commenced for forfeiture of any such lease or any superior lease or the lessor or any superior lessor re-enters or attempts to re-enter thereunder and at the request of the Lender but at the cost of the Chargors take such steps as the Lender may require in relation thereto,

12 4 Power of Leasing

not, without the prior written consent of the Lender, exercise any of the powers of leasing or agreeing to lease vested in or conferred on mortgagors by common law or by statute or create or suffer to be created a tenancy of any description of any of its Land or confer or permit to be conferred upon any person any contractual licence, right or interest to occupy or use or grant any licence or permission to assign, underlet or part with possession of the whole or any part of its Land or agree to do any of the foregoing, and sections 99 and 100 of the LPA shall not apply to this Debenture,

12 5 Compulsory Acquisition

not without the prior written consent of the Lender enter into any negotiations with any competent authority with regard to the compulsory acquisition of any of its Land or consent to the compulsory acquisition of any of its Land, and, if so requested by the Lender, permit the Lender or its authorised representatives to conduct such negotiations or to give such consent on the Chargors' behalf,

12.6 Outgoings

pay as and when the same become due all rates, taxes, duties, charges, assessments and other outgoings payable in respect of its Land; and

12 7 Encumbrances

comply with -

12 7.1 all obligations, covenants, exceptions, reservations, licences, approvals, consents, stipulations, restrictions and conditions to which it is subject including, but without limitation, those relating to any of its Land or the use or enjoyment of any of its Land or imposed upon any Chargor as owner, occupier or user, as the case may be, of any of its Land; and

12 7.2 its obligations under any Security having priority to the Security created by or pursuant to this Debenture

13 ENFORCEMENT

13 1 Enforcement

The Security created by this Debenture shall become enforceable upon and at any time after the occurrence of an Event of Default which is continuing.

13.2 Powers on enforcement

At any time after this Debenture has become enforceable, the Lender may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following -

13.2.1 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

13.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Charged Property, without the restrictions imposed by sections 99 and 100 of the LPA

14 RECEIVERS

14.1 Appointment

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

14.2 Appointment in writing

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

14.3 Remuneration

The Lender 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.

14.4 Powers

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

14.4.1 all the powers conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA,

14.4.2 all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver,

14.4.3 all the powers and rights that an absolute owner would have in relation to any Charged Property, and

14 4 4 the power to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver

15 POWER OF ATTORNEY

15 1 Appointment

Each Chargor hereby irrevocably and by way of security appoints the Lender (whether or not a Receiver has been appointed) and also (as a separate appointment) each Receiver severally as its attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on its behalf and in its name, which it could be required to do or execute under any provision of this Debenture, or which the Lender in its sole opinion may consider necessary or desirable for perfecting the Lender's title to any of the Charged Property of the relevant Chargor or enabling the Lender or the Receiver to exercise any of its or his rights or powers under this Debenture

15 2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in Clause 15 1 (*Appointment*) 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 15 1 (*Appointment*)

16 APPLICATION OF MONEYS

16.1 Application of moneys

All sums received by virtue of this Debenture by the Lender 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:-

16 1.1 in or towards satisfaction of all costs, charges and expenses incurred and payments made by the Lender, or the Receiver (including, without limitation, legal expenses) and of the remuneration of the Receiver;

16 1.2 in or towards payment of the Secured Liabilities in such order as the Lender may at its discretion require,

16 1 3 as to the surplus (if any), to the person or persons entitled to such surplus, and section 109(8) of the LPA shall not apply

17 PROTECTION OF THIRD PARTIES

17 1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Lender, as varied and extended by this Debenture, and all other powers of the Lender, 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

17 2 Purchasers

No purchaser from or other person dealing with the Lender, 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

17.3 Receipts

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

18 PROTECTION OF THE LENDER AND ANY RECEIVER

18.1 No liability

The Lender 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

18.2 Not mortgagee in possession

Without prejudice to any other provision of this Debenture, entry into possession of any Charged Property shall not render the Lender or the Receiver liable to account as mortgagee in possession or to be liable for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable and if and whenever the Lender 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

18.3 Indemnity

Each Chargor shall indemnify and keep indemnified the Lender, 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 omission in relation to this Debenture or the Charged Property

18.4 Currency protection

If any amount due to be paid to the Lender 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 Lender 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 Chargors shall indemnify the Lender against the amount of the shortfall

18.5 Continuing protection

The provisions of this Clause 18 shall continue in full force and effect notwithstanding any release or discharge of this Debenture, or the discharge of any Receiver from office

19 PROVISIONS RELATING TO THE LENDER

19.1 Powers and discretions

The rights, powers and discretions given to the Lender in this Debenture -

19.1.1 may be exercised as often as, and in such manner as, the Lender thinks fit,

19 1 2 are cumulative, and are not exclusive of any of its rights under the general law, and

19 1 3 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

19 2 Certificates

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

19 3 Assignment

The Lender may at any time assign or transfer the whole or any part of its rights under this Debenture to any person, on the pre-condition that such person accedes to the Deed of Priorities and Subordination, to whom the whole or any part of its rights under the Facility Agreement may be assigned

19 4 Delegation

The Lender 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

20 PRESERVATION OF SECURITY

20.1 Continuing Security

This Debenture shall be a continuing security and shall remain in force until expressly discharged in writing by the Lender notwithstanding any intermediate 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 Lender may have now or at any time in the future for or in respect of any of the Secured Liabilities

20 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 Lender may at any time hold for any other Secured Liabilities

20.3 Waiver of Defences

Neither the Security created by this Debenture nor the obligations of any 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 Lender) including -

20 3 1 any time, waiver or consent granted to, or composition with, any Chargor or other person,

20 3 2 the release of any Chargor or any other person under the terms of any composition or arrangement with any person,

20 3 3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Chargor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security,

20 3 4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor or any other person,

20 3 5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security,

20 3 6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document, or

20 3.7 an insolvency, liquidation, administration or similar procedure

20 4 Order of Recourse

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

20 5 Suspense Accounts

The Lender 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 Chargors or, at the sole discretion of the Lender if an Event of Default has occurred and is continuing, of the Lender as the Lender shall think fit without any intermediate obligation on the Lender's part to apply the same or any part of it in or towards the discharge of the Secured Liabilities.

20.6 Tacking

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

20 7 Reinstatement

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

20 7 1 the liability of such Chargor and the Security created by this Debenture shall continue as if the payment, discharge, avoidance or reduction had not occurred, and

20.7.2 the Lender shall be entitled to recover the value or amount of that Security or payment from such Chargor, as if the payment, discharge, avoidance or reduction had not occurred

21 RELEASE

21 1 Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities, the Lender shall, or shall procure that its appointees will, at the request and cost of the Chargors -

21 1 1 release the Charged Property from this Debenture, and

21 1 2 re-assign the Charged Property that has been assigned to the Lender under this Debenture

21 2 Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Debenture

22 COMMUNICATIONS

22 1 Communications to be in writing

Any communication given or made under or in connection with the matters contemplated by this Debenture shall be in writing.

22 2 Deemed delivery

Any such communication shall be addressed as provided in Clause 22 3 (*Parties details*) and, if so addressed, shall be deemed to have been duly given or made as follows -

22 2 1 if sent by personal delivery, upon delivery at the address of the relevant party,

22 2 2 if sent by first class post, two Business Days after the date of posting, and

22 2 3 if sent by fax, upon receipt by the relevant party,

provided that if, in accordance with the above provisions, any such communication would otherwise be deemed to be given or made outside normal working hours, it shall be deemed to be given or made at the start of the next Business Day

22 3 Parties' Details

The relevant details of each party for the purposes of this Debenture, subject to Clause 22 4 (*Change of details*) are -

Party	Attention	Address	Fax no
The Chargors	David Harrison	Houghton House New Road, Team Valley Trading Estate, Gateshead, United Kingdom NE11 0JU	0191 487 7200
Lender	Andrew Lapping	c/o Hamilton Capital Partners, The Aurora Building, 120 Bothwell Street, Glasgow, United Kingdom G2 7JS	0141 227 7519

22 4 Change of details

Any party may notify the other party at any time of a change to its details for the purposes of Clause 22 3 (*Parties details*) provided that such notification shall only be effective on:-

22 4 1 the date specified in the notification as the date on which the change is to take place, or

22.4.2 if no date is specified or the date specified is less than five Business Days after the date on which notice is given, the date falling five Business Days after notice of any such change has been given

23 MISCELLANEOUS PROVISIONS

23.1 Severability

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

23.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

23.1.2 the validity or enforceability of that particular provision, in any other jurisdiction

23.2 Costs, charges and expenses

All costs, charges and expenses incurred or paid by the Lender 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 Chargors, or in perfecting or otherwise in connection with this Debenture, the other Finance Documents or the Charged Property, all sums recoverable under Clause 18 (*Protection of the Lender and any Receiver*) and all costs of the Lender (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 any Chargor as debts, and shall bear interest until payment at the Default Rate

23.3 Contracts (Rights of Third Parties) Act 1999

The Lender, 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.

23.4 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

24 GOVERNING LAW AND ENFORCEMENT

24.1 Governing law

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

24.2 Enforcement

24.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture or any non-contractual obligation arising out of or in connection with this Debenture) (a "**Dispute**")

24.2.2 The parties to this Agreement agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party to this Agreement will argue to the contrary

24.2.3 This Clause 24.2 is for the benefit of the Lender only. As a result the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

Each Chargor expressly agrees and consents to the provisions of this Clause 24 (*Governing law and enforcement*).

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

SCHEDULE 1
THE CHARGORS

Company name	Company number	Registered address
Regency Guest Services Limited	07224407	Houghton House New Road Team Valley Trading Estate Gateshead United Kingdom NE11 0JU
ECG Guest Services Limited	07223999	Houghton House New Road Team Valley Trading Estate Gateshead United Kingdom NE11 0JU
Executive Care Group Limited	04441465	Houghton House New Road Team Valley Trading Estate Gateshead United Kingdom NE11 0JU

SCHEDULE 2

DETAILS OF LAND

The Chargors did not own any Land at the time the Debenture was executed

The Chargors

EXECUTED as a Deed (but not delivered
until dated) by REGENCY GUEST SERVICES)
LIMITED acting by a Director)

[REDACTED]

in the presence of

Signature of Witness

[REDACTED]

Name of Witness *Donna May*

Address

BOND DICKINSON LLP
1 WHITEHALL RIVERSIDE
LEEDS
LS1 4BN

Occupation

EXECUTED as a Deed (but not delivered
until dated) by ECG GUEST SERVICES LIMITED)
acting by a Director)

[REDACTED]

in the presence of

Signature of Witness

[REDACTED]

Name of Witness *Donna May*

Address

BOND DICKINSON LLP
1 WHITEHALL RIVERSIDE
LEEDS
LS1 4BN

Occupation

EXECUTED as a Deed (but not delivered
until dated) by EXECUTIVE CARE GROUP)
LIMITED acting by a Director)

[REDACTED]

in the presence of

Signature of Witness

[REDACTED]

Name of Witness *Donna May*

Address

BOND DICKINSON LLP
1 WHITEHALL RIVERSIDE
LEEDS
LS1 4BN

Occupation

The Lender

EXECUTED as a Deed (but not delivered)
until dated) by THE HAMILTON PORTFOLIO)
(CARE HOMES) LIMITED acting by a Director)

in the presence of

Signature of Witness

Name of Witness *NICOLA NUTLEY*

Address *Bond Dickinson LLP*
Newcastle upon Tyne

Occupation *Solicitor*