Companies House

MR01(ef)

Registration of a Charge

Company name: **THR NUMBER ONE PLC**

Company number: **08996524**

X3D48LCR

Received for Electronic Filing: **29/07/2014**

Details of Charge

Date of creation: **25/07/2014**

Charge code: **0899 6524 0008**

Persons entitled: **THE ROYAL BANK OF SCOTLAND PLC AS SECURITY AGENT**

Brief description: **LANDS COMPRISED WITHIN A 999 YEAR LEASE MADE BETWEEN ZEST INVESTMENT (BOHILL) LIMITED (1) AND THR NUMBER ONE PLC (2) DATED 11 JULY 2014 AND DESCRIBED AS "BOHILL HOUSE AND BUNGALOWS, 69 CLOYFIN ROAD, COLERAINE BT52 2NY BEING ALL OF THE LANDS REGISTERED IN THE LAND REGISTRY OF NORTHERN IRELAND AND COMPRISED WITHIN FOLIOS 10331, LY7550, LY83673, LY105214 AND 10346 ALL COUNTY LONDONDERRY. LANDS COMPRISED IN A 999 YEAR LEASE MADE BETWEEN ZEST INVESTMENT (NEWTOWNARDS) LIMITED (1) AND THR NUMBER ONE PLC (2) DATED 11 JULY 2014 AND DESCRIBED AS "BLAIR HOUSE CARE HOME, 107 DAKOTA AVENUE, NEWTOWNARDS, COUNTY DOWN BT23 4QX BEING ALL THE LANDS REGISTERED IN THE LAND REGISTRY OF NORTHERN IRELAND AND COMPRISED IN FOLIOS DN97112 AND 41436 BOTH COUNTY DOWN".**

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 SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **PINSENT MASONS LLP**

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8996524

Charge code: 0899 6524 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th July 2014 and created by THR NUMBER ONE PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th July 2014 .

Given at Companies House, Cardiff on 30th July 2014

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

REGISTRAR OF COMPANIES FOR ENGLAND AND WALES

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

Execution Version

DATED 25 July 2014

(1) THE CHARGOR

(2) THE ROYAL BANK OF SCOTLAND PLC
(as Security Agent)

DEBENTURE

Pinsent Masons

CONTENTS

LAND REGISTRY

Folios: **County:**

Owner: THR Number One plc

THIS DEED is made on 25 July 2014

BETWEEN:-

(1) **THE COMPANY** whose name and registered office is set out in Schedule 1 (together with each company which becomes a party to this Deed by executing a Deed of Accession, each a "**Chargor**" and together the "**Chargors**"); and

(2) **THE ROYAL BANK OF SCOTLAND PLC** (the "**Security Agent**") as agent and trustee for itself and each of the Secured Parties (as defined below).

THIS DEED WITNESSES as follows:-

1. **INTERPRETATION**

1.1 **Definitions**

In this Deed:-

"Charged Property"	means all the assets and undertaking of the Chargor situated in Northern Ireland and/or governed by the laws of Northern Ireland which from time to time are, or purport to be, the subject of the security created in favour of the Security Agent by or pursuant to this Deed
"Declared Default"	means an Event of Default which has resulted in the Security Agent exercising any of its rights under Clause 24.18 (*Acceleration*) of the Facility Agreement
"Deed of Accession"	means a deed substantially in the form of Schedule 4 (*Deed of Accession*) executed, or to be executed, by a person becoming a Chargor
"Default Rate"	means the rate calculated in accordance with clause 8.4 of the Facility Agreement
"Event of Default"	has the meaning given to that term in the Facility Agreement
"Facility Agreement"	means the £30,000,000 term loan and revolving credit facility agreement dated 23 June 2014 between, among others, the Chargor, the Agent and the Security Agent
"Finance Documents"	has the meaning given to that term in the Facility Agreement
"Fixed Plant and Equipment"	means 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" means all things of any kind now or at any time affixed to land for any purpose, including, without limitation, trade and tenants fixtures

"Group" has the meaning given to that term in the Facility Agreement

"Insurances" means, together with those insurance policies details of which are set out in Schedule 3 (*Details of Material Insurances*), or in Schedule 3 to any Deed of Accession by which a Chargor becomes a Party to this Deed, any policy of insurance or assurance, including, without limitation, any key-man life assurance policy

"Land" means any estate, right or interest in or over land, whether legal or equitable, situated in Northern Ireland 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

"Loose Plant and Equipment" means, 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

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 5 (*Form of Notice of Assignment of Insurance*), Schedule 6 (*Form of Notice of Assignment of Specific Contract*) or in such form as may be agreed by the Security Agent and the Chargor

"Obligors" has the meaning given in the Facility Agreement

"Party" means a party to this Deed

"Receiver" means any receiver, receiver and manager or administrative receiver of the whole or any part of the Charged Property

"Regulations" means the Financial Collateral Arrangements (No2) Regulations 2003 (S.I. 2003/2336) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and "**Regulation**" means any of them

"Related Rights" means 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 including the right to receive Rental Income;

(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, including the Rental Income

"Rental Income" has the meaning given to that term in-the Facility Agreement

"Secured Liability" means any liability expressed to be due, owing or payable by the Chargor under or in connection with any of the Finance Documents (together the **"Secured Liabilities"**)

"Secured Party" has the meaning given to that term in the Facility Agreement

"Security" means 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

"Security Agent" includes the Security Agent's successors in title and any successor appointed in accordance with the Finance Documents

"Security Documents" has the meaning given to that term in the Facility Agreement

"Specific Contracts" means the Property Acquisition Documents and the Lease Documents (each as defined in the Facility Agreement) and any agreement specified in Schedule 5 to any Deed of Accession by which a Chargor becomes a Party to this Deed

"1881 Act" means the Conveyancing and Law of Property Act 1881

"1911 Act" means the Conveyancing Act 1911

1.2 **Incorporation of terms**

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

1.3 **Interpretation**

The principles of interpretation set out in clause 1.2 (*Construction*) of the Facility Agreement shall apply to this Deed insofar as they are relevant to it and in this Deed, unless the context otherwise requires, a reference to a " **Finance Document**" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Finance Document or other agreement or instrument and includes any increase in, extension of or change to any facility made available under that Finance Document or other agreement or instrument.

1.4 **Conflict**

In the event of any conflict or inconsistency between the terms of this Deed and the terms of the Facility Agreement, the terms of the Facility Agreement shall prevail.

1.5 **Acknowledgement**

The Chargor acknowledges that the Security Agent enters into this Deed for itself and as trustee for the Secured Parties who shall be entitled to the full benefit of this Deed.

1.6 **Effect as a deed**

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Security Agent.

1.7 **Statute of Frauds 1695**

The terms of the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2 of the Statute of Frauds 1695.

1.8 **Third party rights**

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

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

1.8.3 Any Receiver or Delegate may, subject to this Clause 1.8 and the Third Parties Act, rely on any Clause of this Deed which expressly confers rights on it.

2. **COVENANT TO PAY**

2.1 **Secured Liabilities**

The Chargor covenants that it will on demand of the Security Agent in accordance with the terms of the relevant Finance Document pay and discharge any or all of the Secured Liabilities when due.

2.2 **Interest**

The Chargor covenants to pay interest to the Security Agent upon any sum demanded in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after any judgment):

2.2.1 at the rate and in the manner agreed in the Finance Document under which such amount is payable; or

2.2.2 (in the absence of such agreement), at the Default Rate from time to time.

3. CHARGES

3.1 Mortgages and Fixed Charges

As a continuing security for payment and discharge of the Secured Liabilities, the Chargor as beneficial owner:-

3.1.1 **GRANTS AND DEMISES** unto the Security Agent all that Land more particularly set out in Part I of Schedule 2, hereto to hold the same unto the Security Agent for the term of ten thousand years from the date hereof subject to the proviso for redemption hereinafter contained;

3.1.2 **GRANTS AND DEMISES** all that Land more particularly set out in Part II of Schedule 2 hereto to hold the same unto the Security Agent for the residue of the terms of years created by the respective leases short particulars of which are also set out in Part II of Schedule 2 hereto less the last ten days thereof subject to the proviso for redemption hereinafter contained;

3.1.3 **CHARGES** all that Land comprised in the above mentioned Folios as are more particularly set out in Part III of Schedule 2 hereto with payment to the Security Agent of all monies due or to become due by the Chargor to the Security Agent and hereby requests that the charge hereby created be registered as a burden on the said Land subject to the proviso for redemption hereinafter contained;

3.1.4 **CHARGES** by way of first fixed charge all Land of the Chargor both present and future not specifically mortgaged or charged at sub-clauses 3.1.1 – 3.1.3 above (other than future freehold and leasehold Land acquired by the Chargor subject to an existing fixed charge in which case the charge shall be a subsequent fixed charge) and all liens, charges, options, agreements, rights and interest in or over Land both present and future vested in the Chargor or to which the Chargor may be entitled;;

3.1.5 charges by way of first fixed charge insofar as they are situated in Northern Ireland and/or governed by the laws of Northern Ireland:-

(a) the Fixed Plant and Equipment;

(b) the Loose Plant and Equipment;

(c) the Related Rights under or in connection with the Fixed Plant and Equipment and the Loose Plant and Equipment;

(d) to the extent not assigned or effectively assigned by Clause 3.3 (*Assignments*), the Specific Contracts, the Insurances, the Rental Income and all Related Rights in respect of such Charged Property; and

(e) its present and future goodwill and uncalled capital.

3.1.6 The Chargor hereby attorns tenant to the Security Agent of any part of the Charged Property mortgaged by sub-clauses 3.1.1 – 3.1.2 above at the yearly rent of five pence (if demanded) provided always that the Security Agent may at any time without notice to the Chargor determine the tenancy hereby created and enter upon such mortgaged property but so that neither the receipt of the said rent nor the said tenancy shall render the Security Agent liable to account to any person as mortgagee in possession.

3.1.7 **IT IS HEREBY AGREED AND DECLARED** that the Chargor shall stand possessed of the reversion immediately expectant upon the term of years hereby granted in any part of the Charged Property mortgaged by sub-clauses 3.1.1 – 3.1.2 above in trust for the Security Agent and to assign, convey or dispose of the same as the Security Agent may direct (subject to the proviso for redemption hereinbefore contained) and the Security Agent may at any time during the continuance of the security hereby created remove the Chargor or any other person, persons or body corporate from being a trustee of the trust declared by this clause and on the death or removal of the Chargor or such other person, persons or body corporate appoint a new trustee or trustees in his, their or its place.

3.2 Floating Charge

As continuing security for payment and discharge of the Secured Liabilities, the Chargor as beneficial owner charges to the Security Agent by way of first floating charge the whole of the Chargor's undertaking and assets, present and future and situated in Northern Ireland and/or governed by the laws of Northern Ireland, which are not for any reason effectively charged or assigned (whether in law or equity) by way of fixed security by this Deed.

3.3 Assignments

As continuing security for payment and discharge of the Secured Liabilities, the Chargor as beneficial owner assigns absolutely in favour of the Security Agent, but subject to the right of the Chargor to redeem such assignment upon the full payment or discharge of the Secured Liabilities, its right, title and interest from time to time in each of the following assets insofar as they are situated in Northern Ireland and/or governed by the laws of Northern Ireland:-

3.3.1 the Specific Contracts;

3.3.2 the Insurances;

3.3.3 all Rental Income (to the extent not validly mortgaged or charged by any other provision of this Deed); and

3.3.4 all rights under any agreement to which it is a party and which is not mortgaged or charged under Clause 3.1 (*Mortgages and Fixed Charges*),

together with all Related Rights in respect of such Charged Property, provided that the Chargor is entitled until the occurrence of an Event of Default to exercise all rights assigned under this Clause 3.3 (*Assignments*) (subject to the terms of the Finance Documents) and the Security Agent will reassign any such rights to the extent necessary to enable the Chargor to do so.

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 Security Agent.

3.5 Qualifying floating charge

Paragraph 15 of Schedule B1 to the Insolvency (Northern Ireland) Order 1989 will apply to any floating charge created by this Deed.

4. **CRYSTALLISATION OF FLOATING CHARGE**

4.1 **Crystallisation: By Notice**

The Security Agent may at any time by notice in writing to the 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 a Declared Default has occurred; or

4.1.2 the Security Agent (acting reasonably) 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

4.1.3 the Security Agent considers that it is necessary in order to protect the priority of the Security created by or pursuant to this Deed.

4.2 **Crystallisation: Automatic**

The floating charge created by Clause 3.2 (*Floating Charge*) 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:-

4.2.1 the Chargor creates or attempts to create any Security (other than as permitted under the terms of the Facility Agreement) over any of the Charged Property; or

4.2.2 any person levies any distress, execution or other process against any of the Charged Property; or

4.2.3 any formal 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 3.2 (*Floating Charge*) may not be converted into a fixed charge solely by reason of:

4.3.1 the obtaining of a moratorium; or

4.3.2 anything done with a view to obtaining a moratorium

under Schedule A1 to the Insolvency (Northern Ireland) Order 1989.

5. **PERFECTION OF SECURITY**

5.1 **Notices of Assignment**

The Chargor shall deliver to the Security Agent (or procure delivery of) Notices of Assignment duly executed by, or on behalf of, the Chargor:-

5.1.1 in respect of each Specific Contract, on the date of this Deed and as soon as reasonably practicable upon entering into any further Specific Contract after the date of this Deed;

5.1.2 in respect of the Insurances, on the date of this Deed and as soon as reasonably practicable upon purchasing any further Insurance after the date of this Deed; and

5.1.3 in respect of any other asset which is the subject of an assignment pursuant to Clause 3.3 (*Assignments*), as soon as reasonably practicable upon receipt of a written request to do so by the Security Agent,

and in each case shall use all reasonable endeavours to procure that each notice is acknowledged by the party to whom such Notice of Assignment is addressed.

5.2 **Delivery of Documents of Title**

The Chargor shall upon the execution of this Deed (or, if later, upon receipt or entitlement thereof), and upon the acquisition by the Chargor of any interest in any Land deliver (or procure delivery) to the Security Agent of either:-

5.2.1 all deeds, certificates and other documents of title relating to such Land (which the Security Agent shall be entitled to hold and retain); or

5.2.2 an undertaking from the Chargor's solicitors (in form and substance acceptable to the Security Agent) to hold all deeds, certificates and other documents of title relating to such Land strictly to the order of the Security Agent.

5.3 **Application to the Land Registry**

The Chargor and the Security Agent shall apply to the Land Registry as soon as reasonably practicable for the following to be entered on the registered title to any Land now or in the future owned by it:-

5.3.1 a restriction in the following terms:

"Except under an Order of the Registrar no charge or other security interest is to be registered or noted without the consent of the Registered Owner for the time being of the Charge No.......".

6. **RESTRICTIONS AND FURTHER ASSURANCE**

6.1 **Security**

The Chargor undertakes that it shall not create or permit to subsist any Security over any Charged Property, nor do anything else prohibited by clause 22.3 (*Negative pledge*) of the Facility Agreement, except as expressly permitted under the terms of the Finance Documents.

6.2 **Disposal**

The Chargor undertakes that it shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Charged Property except as permitted by clause 22.4 (*Disposals*) of the Facility Agreement.

6.3 **Further assurance**

The Chargor shall promptly do whatever the Security Agent may reasonably require to:-

6.3.1 perfect or protect the Security created or expressed to be created by this Deed, or its priority; or

6.3.2 facilitate the realisation of the Charged Property or the exercise of any rights vested in the Security Agent or any Receiver, including executing any transfer, conveyance, charge, assignment or assurance of the Charged Property (whether to the Security Agent or its nominees or otherwise), making any registration and giving any notice, order or direction.

7. INSURANCES

The Chargor shall at all times during the subsistence of this Deed:-

7.1.1 procure that the Charged Property is insured in accordance with the terms of the Finance Documents;

7.1.2 notify the Security Agent in writing as soon as practicable and in any event within three days after becoming aware of any event or circumstance which will, or is likely to, give rise to a claim by or in the name of the Chargor under the Criminal Damage (Compensation) (Northern Ireland) Order 1977 (as amended) in relation to the Charged Property (referred to as a "**Criminal Damage Claim**") specifying in reasonable detail the nature of the event or circumstance which will, or is likely to, give rise to a Criminal Damage Claim and the extent of the damage to the Charged Property;

7.1.3 at the Chargor's cost, take such action (including legal proceedings) and give such information and access to personnel, premises, chattels, documents and records to the Security Agent and its professional advisers as the Security Agent may reasonably request in order to make, dispute, settle or appeal any Criminal Damage Claim or any adjudication in respect thereto;

7.1.4 at the request of the Security Agent allow the Security Agent to take the sole conduct of such actions as the Security Agent may deem appropriate in connection with any Criminal Damage Claim by or in the name of the Chargor and in that connection give or cause to be given to the Security Agent all such assistance as the Security Agent may reasonably require in disputing, settling or appealing any Criminal Damage Claim and shall instruct such solicitors and other professional advisers as the Security Agent and the Chargor shall agree to act on behalf of the Chargor, but to act in accordance with the Security Agent's sole instructions; and

7.1.5 make no agreement, settlement or compromise in relation to any Criminal Damage Claim without the prior written consent of the Security Agent.

7.2 Application of Insurance Proceeds

7.2.1 The Chargor shall procure that all moneys received (or held on trust for the benefit of the Chargor by any occupational tenant of the Charged Property) under any Insurances relating to the Charged Property or in relation to or arising out of any Criminal Damage Claim ("**Criminal Damage Claims Monies**") shall, prior to the occurrence of an Event of Default, be applied in accordance with the terms of the Finance Documents. After the occurrence of an Event of Default the Chargor shall hold such moneys upon trust for the Security Agent pending payment to the Security Agent for application in accordance with Clause 10 (*Application of Moneys*) and the Chargor waives any right it may have to require that any such moneys are applied in reinstatement of any part of the Charged Property.

7.2.2 Where any Criminal Damage Claims Monies are applied in replacing, restoring or reinstating the Charged Property pursuant to clause 7.2.2

above the Security Agent may, at the cost of the Chargor, appoint its own architects, surveyors and other professional advisers to review the replacement, restoration or reinstatement works (the "**Works**") and in the light of the comments of those advisers the Security Trustee may give such directions to the Chargor regarding completion of the Works as the Security Trustee shall reasonably deem necessary or appropriate in the interests of preserving the value of the security constituted.

8. DEMAND AND ENFORCEMENT

8.1 Enforcement

The Security created by this Deed shall become enforceable upon:-

8.1.1 the occurrence of an Event of Default which is continuing;

8.1.2 any request being made by the Chargor to the Security Agent for the appointment of a Receiver or an administrator, or for the Security Agent to exercise any other power or right available to it; or

8.1.3 the occurrence of any event causing the floating charge created by this Deed to become fixed in relation to any Charged Property.

8.2 Powers on enforcement

At any time after the Security created by this Deed has become enforceable, the Security Agent may (without prejudice to any other rights and remedies and without notice to the Chargor) do all or any of the following:-

8.2.1 exercise the power of sale under section 19 of the 1881 Act and section 4 of the 1911 Act together with all other powers and rights conferred on mortgagees by the 1881 Act and the 1911 Act, as varied and extended by this Deed, without the restrictions contained in sections 20 or 24(1) of the 1881 Act;

8.2.2 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 section 18 of the 1881 Act and section 3 of the 1911 Act;

8.2.3 to the extent that any Charged Property constitutes Financial Collateral, as defined in the Regulations, appropriate it and transfer the title in and to it to the Security Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18; and

8.2.4 subject to Clause 9.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Charged Property; and

8.2.5 appoint an administrator of the Chargor.

8.3 Disposal of the Charged Property

In exercising the powers referred to in Clause 8.2 (*Powers on enforcement*), the Security Agent or any Receiver may sell or dispose of all or any of the Charged Property at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

8.4 **Same rights as Receiver**

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Agent, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not the Security Agent shall have taken possession or appointed a Receiver of the Charged Property.

8.5 **Delegation**

The Security Agent may delegate in any manner to any person any rights exercisable by the Security Agent under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Agent thinks fit.

9. RECEIVERS

9.1 **Method of appointment or removal**

Every appointment or removal of a Receiver, any delegate or any other person by the Security Agent under this Deed shall be in writing under the hand of any officer or manager of the Security Agent (subject to any requirement for a court order in the case of the removal of an administrative receiver).

9.2 **Removal**

The Security Agent may (subject to the application of article 55 of the Insolvency (Northern Ireland) Order 1989) 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 (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Charged Property) appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

9.3 **Powers**

Every Receiver shall have and be entitled to exercise all the powers:-

9.3.1 of the Security Agent under this Deed;

9.3.2 conferred by the 1881 Act and 1911 Act on mortgagees in possession and on receivers appointed under the 1881 Act and 1911 Act;

9.3.3 of an administrative receiver set out in Schedule 1 to the Insolvency (Northern Ireland) Order 1989, whether or not the Receiver is an administrative receiver;

9.3.4 any rights that an absolute owner would have in relation to any Charged Property; and

9.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

9.4 **Receiver as agent**

The Receiver shall be the agent of the Chargor (which shall be solely liable for his acts, defaults, remuneration, losses and liabilities) unless and until the Chargor goes into liquidation, from which time he shall act as principal and shall not become the agent of the Security Agent.

9.5 **Joint or several**

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

9.6 **Receiver's remuneration**

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Security Agent and the maximum rate specified in section 24(6) of the 1881 Act shall not apply.

10. APPLICATION OF MONEYS

10.1 **Application of moneys**

All sums received by virtue of this Deed and/or any other Security Documents by the Security Agent or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

10.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Security Agent as agent for the Secured Parties and/or as trustee in relation to the Security Documents, or by any Receiver (including legal expenses), together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;

10.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Security Agent or any Receiver;

10.1.3 **thirdly**, in or towards payment of the Secured Liabilities in accordance with the Facility Agreement;

10.1.4 **fourthly**, in the payment of the surplus (if any), to the Chargor concerned or any other person entitled to it,

and section 24(8) of the 1881 Act shall not apply.

11. POWER OF ATTORNEY

11.1 **Appointment**

The Chargor irrevocably and by way of security appoints:-

11.1.1 the Security Agent (whether or not a Receiver has been appointed); and

11.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Security Agent; and also

11.1.3 (as a separate appointment) each Receiver,

severally as the Chargor's attorney and attorneys 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 could be required to do or execute under any provision of this Deed, or which the Security Agent in its sole opinion may consider necessary or desirable for perfecting its title to any of the Charged Property or enabling the Security Agent or the Receiver to exercise any of its rights or powers under this Deed.

11.2 **Ratification**

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 11.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 11.1 (*Appointment*).

11.3 **Exercise of Powers**

The appointment effected under Clause 11.1 (*Appointment*) shall take effect immediately, but the powers conferred shall only become exercisable upon the Security created under this Deed becoming enforceable or if the Chargor does not fulfil any of its obligations under Clause 6.3 (*Further assurance*) within three Business Days of notice from the Security Agent to do so.

12. CONSOLIDATION

12.1 **Combination of accounts**

In addition to any general lien, right to combine accounts, right of set-off or other right which it may at any time have, the Security Agent and each Secured Party may at any time after an Event of Default has occurred and is continuing, without notice to the Chargor, combine or consolidate all or any accounts which it then has in relation to the Chargor (in whatever name) and any Secured Liabilities owed by the Chargor to the Security Agent or that Secured Party, and/or set-off or transfer any amounts standing to the credit of one or more accounts of the Chargor in or towards satisfaction of any Secured Liabilities owed it on any other account or otherwise.

12.2 **Application**

The Security Agent's and each Secured Party's rights under Clause 12.1 (*Combination of accounts*) apply:-

12.2.1 whether or not any demand has been made under this Deed, or any liability concerned has fallen due for payment;

12.2.2 whether or not any credit balance is immediately available or subject to any restriction;

12.2.3 irrespective of the currencies in which any balance or liability is denominated, and the Security Agent and the relevant Secured Party may for the purpose of exercising its right elect to convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion; and

12.2.4 in respect of any Secured Liabilities owed by the Chargor, whether owed solely or jointly, certainly or contingently, presently or in the future, as principal or surety, and howsoever arising.

13. PROTECTION OF THIRD PARTIES

13.1 **Statutory powers**

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

13.2 **Purchasers**

No purchaser from or other person dealing with the Security Agent, any person to whom it has delegated any of its powers, or the Receiver shall be concerned:-

13.2.1 to enquire whether any of the powers which the Security Agent or a Receiver have exercised has arisen or become exercisable;

13.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act; or

13.2.3 as to the propriety or validity of the exercise of those powers,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

13.3 **Receipts**

All the protection to purchasers contained in sections 21(1), 21(2) and 22 of the 1881 Act and section 5(1) of the 1911 Act and article 52(3) of the Insolvency (Northern Ireland) Order 1989 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any other Secured Party, any Receiver or any person to whom any of them have delegated any of their powers.

14. PROTECTION OF THE SECURITY AGENT, THE SECURED PARTIES AND ANY RECEIVER

14.1 **No liability**

None of the Security Agent, the other Secured Parties, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

14.2 **Not mortgagee in possession**

Without prejudice to any other provision of this Deed, entry into possession of any Charged Property shall not render the Security Agent, any Receiver or any of their respective officers or employees liable:-

14.2.1 to account as mortgagee in possession;

14.2.2 for any loss on realisation; or

14.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever the Security Agent or any Receiver enters into possession of any Charged Property it shall be entitled at any time it or he thinks fit to relinquish possession.

14.3 **Indemnity**

The Chargor shall indemnify and keep indemnified the Security Agent, each other Secured Party, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

14.3.1 any act or omission by any of them in relation to all or any of the Charged Property;

14.3.2 any payment relating to or in respect of all or any of the Charged Property which is made at any time by any of them;

14.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;

14.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and

14.3.5 any breach by the Chargor of any of its covenants or other obligations to the Security Agent or any other Secured Party,

except in the case of gross negligence or wilful misconduct on the part of that person.

14.4 Interest

The Chargor shall pay interest at the Default Rate on the sums payable under this Clause 14 (*Protection of the Security Agent, the Secured Parties and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

14.5 Indemnity out of the Charged Property

The Security Agent, the other Secured Parties, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Charged Property in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 14.3 (*Indemnity*).

14.6 Continuing protection

The provisions of this Clause 14 (*Protection of the Security Agent, the Secured Parties and any Receiver*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

15. PROVISIONS RELATING TO THE SECURITY AGENT

15.1 Powers and discretions

The rights, powers and discretions given to the Security Agent in this Deed:-

15.1.1 may be exercised as often as, and in such manner as, the Security Agent thinks fit;

15.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and

15.1.3 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.

15.2 Certificates

A certificate by an authorised officer of the Security Agent:-

15.2.1 as to any amount for the time being due to the Secured Parties or any of them; or

15.2.2 as to any sums payable to the Security Agent under this Deed,

shall (save in the case of wilful default, gross negligence or manifest error) be conclusive and binding upon the Chargor for all purposes.

15.3 **Assignment**

The Security Agent may assign this Deed to any successor in title to any of the Secured Liabilities obtaining title in accordance with the provisions of the Facility Agreement or to a replacement Security Agent appointed in accordance with the provisions of the Facility Agreement, and each Secured Party may assign its interest in this Deed in whole or in part to any successor in title to any of the Secured Liabilities, and the Security Agent and any 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.

15.4 **Trusts**

The perpetuity period for any other constituted by this Deed shall be 80 years.

15.5 **Provisions of the Facility Agreement**

The provisions of the Facility Agreement shall apply to the Security Agent's rights and duties and the resignation of the Security Agent as if set out in this Deed.

16. PRESERVATION OF SECURITY

16.1 **Continuing Security**

This Deed shall be a continuing security to the Security Agent and shall remain in force until expressly discharged in writing by the Security Agent notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

16.2 **Additional Security**

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Security Agent or any other Secured Party may have now or at any time in the future for or in respect of any of the Secured Liabilities.

16.3 **Waiver of Defences**

Neither the Security created by this Deed nor the obligations of the Chargor under this Deed 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, the Security Agent or any other Secured Party) including:-

16.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;

16.3.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;

16.3.3 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 Obligor 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;

16.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;

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

16.3.6 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

16.3.7 an insolvency, liquidation, administration or similar procedure.

16.4 **Immediate recourse**

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

16.5 **Appropriations**

During the Security Period the Security Agent and each Secured Party may:-

16.5.1 refrain from applying or enforcing any monies, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 10.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Chargor shall not be entitled to the same; and

16.5.2 hold in an interest-bearing suspense account any moneys received from the Chargor on or account of the Secured Liabilities.

16.6 **New Accounts**

If the Security Agent or any other Secured Party receives notice (whether actual or otherwise) of any subsequent Security over or affecting any of the Charged Property or if a petition is presented or a resolution passed in relation to the winding up of the Chargor, the Security Agent and the relevant Secured Party or Secured Parties may close the current account or accounts and/or open a new account or accounts for the Chargor. If the Security Agent or any other Secured Party does not open a new account or accounts immediately it shall nevertheless be treated as if it had done so at the time when the relevant event occurred, and as from that time all payments made by the Chargor to the Security Agent or that Secured Party shall be credited or be treated as having been credited the new account or accounts and shall not operate to reduce the Secured Liabilities.

16.7 **Tacking**

For the purposes of section 43(1) of the Land Registration Act (Northern Ireland) 1970 the Security Agent confirms on behalf of the Lenders that the Lenders shall make further advances to the Chargor on the terms and subject to the conditions of the Finance Documents.

16.8 **Deferral of Chargor's rights**

During the Security Period and unless the Security Agent otherwise directs, the Chargor shall not exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

16.8.1 to receive or claim payment from, or be indemnified by an Obligor;

16.8.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Finance Documents;

16.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under any Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;

16.8.4 to exercise any right of set-off against any Obligor; and/or

16.8.5 to claim or prove as a creditor of any Obligor in competition with any Secured Party.

17. **RELEASE**

17.1 **Release**

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, the Security Agent shall, or shall procure that its appointees will, at the request and cost of the Chargor:-

17.1.1 release the Charged Property from this Deed; and

17.1.2 re-assign the Charged Property that has been assigned to the Security Agent under this Deed.

17.2 **Reinstatement**

If the Security Agent reasonably believes that any amount paid or credited to any Secured Party under any Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is reasonably likely to be avoided, reduced or otherwise set aside:-

17.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and

17.2.2 the liability of the Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

17.3 **Consolidation**

Section 17 of the 1881 Act dealing with the consolidation of mortgages shall not apply to this Deed.

18. MISCELLANEOUS PROVISIONS

18.1 Severability

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

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

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

18.2 Joint and separate liability

Unless the context otherwise requires, all covenants, agreements, representations and warranties contained in this Deed on the part of the Chargor are given, by the Chargor and any company which becomes a party to this Deed by executing a Deed of Accession, jointly and separately and shall be construed accordingly.

18.3 Counterparts

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

18.4 Deeds of accession

Each of the parties agrees that each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed.

19. NOTICES

The provisions of clause 33 (*Notices*) of the Facility Agreement shall apply to this Deed as if set out in full herein.

20. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by the laws of Northern Ireland.

21. ENFORCEMENT

21.1 Jurisdiction of the Courts of Northern Ireland

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

21.1.2 The parties to this Deed agree that the courts of Northern Ireland are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.

21.1.3 This Clause 21.1 (*Jurisdiction of the Courts of Northern Ireland*) is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

21.2 **Service of Process**

Without prejudice to any other mode of service allowed under any relevant law, the Chargor:

21.2.1 irrevocably appoints Cleaver Fulton Rankin Limited as its agent for service of process in relation to any proceedings before the courts in Northern Ireland in connection with any Finance Document; and

21.2.2 agrees that failure by a process agent to notify the Chargor of the process will not invalidate the proceedings concerned.

21.2.3 if any person appointed as process agent is unable for any reason to act as agent for service of process, the Chargor must immediately (and in the event within 5 days of such event taking place) appoint another agent on terms acceptable to the Security Agent. Failing this, the Security Agent may appoint another agent for this purpose.

and the Chargor expressly agrees and consents to the provisions of this Clause 21 (*Enforcement*) and Clause 20 (*Governing Law*).

EXECUTED AND DELIVERED AS A DEED on the date set out at the beginning of this Deed.

Schedule 1

THE CHARGOR

Company name	**No**	**Address for service and fax number**
THR NUMBER ONE PLC	8996524	6 New Street Square, New Fetter Lane, London EC4A 3AQ

Schedule 2

DETAILS OF LAND

Part I Unregistered Freehold Land

Description	Chargor

None at the date of this Deed

Part II Unregistered Leasehold Land

Description	Chargor

None at the date of this Deed

Part III Registered Land

Folio numbers	Description	Chargor	Tenure
Yet to be allocated	Lands comprised within a 999 year Lease made between Zest Investment (Bohill) Limited (1) and THR Number One Plc (1) dated 11 July 2014 and described as "Bohill House and Bohill Bungalows, 69 Cloyfin Road, Coleraine BT52 2NY being all of the lands registered in the Land Registry of Northern Ireland and comprised within Folios 10331, LY7550, LY83673, LY105214 and 10346 all County Londonderry"	THR NUMBER ONE PLC	Good Leasehold to be applied for
Yet to be	Lands comprised in a 999 year Lease made between	THR NUMBER ONE PLC	Good Leasehold to be applied for

Folio numbers	Description	Chargor	Tenure
allocated	Zest Investment (Newtownards) Limited (1) and THR Number One Plc (2) dated 11 July 2014 and described as "Blair House Care Home, 107 Dakota Avenue, Newtownards, County Down BT23 4QX being all the lands registered in the Land Registry of Northern Ireland and comprised in Folios DN97112 and 41436 both County Down"		

Schedule 3

DETAILS OF MATERIAL INSURANCES

Policy number	Name and address of insurer	Name and address of broker	Brief description of assets insured	Date of expiry of policy

None Specified

Schedule 4

DEED OF ACCESSION

THIS DEED OF ACCESSION is made on [ ]

BETWEEN:-

(1) [ ] (the "**New Chargor**"), a company incorporated in [Northen Ireland] whose registered office is at [ ];

(2) **[TARGET NEWCO] PLC** (the "**Parent**") for itself and as agent for and on behalf of the Chargor named in the Debenture referred to below; and

(3) **THE ROYAL BANK OF SCOTLAND PLC** as the Security Agent.

WHEREAS:-

(A) The New Chargor is, or will on the date of this Deed of Accession become, a wholly-owned Subsidiary of the Parent.

(B) The Parent has entered into a deed dated [ ] (as supplemented and amended by Deeds of Accession or otherwise from time to time, the "**Debenture**") between the Parent, [the company named in the Debenture as Chargor,] and The Royal Bank of Scotland plc as agent and trustee for the Secured Parties.

(C) The New Chargor at the request of the Parent and in consideration of the Secured Parties making or continuing to make facilities available to the Parent or any other member of its group and after giving due consideration to the terms and conditions of the Finance Documents and the Debenture and satisfying itself that there are reasonable grounds for believing that the entry into this Deed of Accession by it will be of benefit to it, has decided in good faith and for the purpose of carrying on its business to enter into this Deed and become a Chargor under the Debenture.

IT IS AGREED as follows:-

1. **DEFINITIONS AND INTERPRETATION**

1.1 Terms defined in the Debenture shall have the same meaning in this Deed.

1.2 The principles of interpretation set out in Clause 1.3 of the Debenture shall apply to this Deed of Accession insofar as they are relevant to it, as they apply to the Debenture.

2. **ACCESSION**

The New Chargor agrees:-

2.1 to become a party to and to be bound by the terms of the Debenture as a Chargor with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party in the capacity of Chargor (but so that the security created consequent on such accession shall be created on the date of this Deed of Accession); and

2.2 to be bound by all the covenants and agreements in the Debenture which are expressed to be binding on a Chargor.

3. **SECURITY**

The New Chargor mortgages, charges and assigns to the Security Agent, as agent and trustee for the Secured Parties, all its business, undertaking and assets on the terms of Clause 3 of the Debenture, provided that:-

3.1 the Land charged by way of legal mortgage shall be the Land referred to in Schedule 1 (*Details of Land*);

3.2 the Insurances assigned or (to the extent not assigned or effectively assigned) charged shall include the insurances referred to in Schedule 2 (*Details of Material Insurances*);

3.3 the Specific Contracts assigned or (to the extent not assigned or effectively assigned) charged shall include the Specific Contracts referred to in Schedule 3 (*Details of Specific Contracts*).

4. **EFFECT ON DEBENTURE**

The Debenture and this Deed of Accession shall be read as one so that references in the Debenture to "this Deed",."herein", and similar phrases shall be deemed to include this Deed of Accession.

5. **GOVERNING LAW**

This Deed of Accession and any non-contractual obligations arising out of or in connection with it are governed by the laws of Northern Ireland.

EXECUTED AS A DEED AND DELIVERED on the date set out at the beginning of this Deed.

SCHEDULE 1

DETAILS OF LAND

Part I Unregistered Freehold Land

Description	Chargor

Part II Unregistered Leasehold Land

Description	Chargor

Part III Registered Land

Folio number	Description	Chargor	Tenure

SCHEDULE 2

DETAILS OF MATERIAL INSURANCES

SCHEDULE 3

DETAILS OF SPECIFIC CONTRACTS

The New Chargor

EXECUTED as a Deed by **[NAME OF COMPANY] [LIMITED] [PLC]** acting by two Directors or a Director and its Secretary:-	)))))
	Director
	Director/Secretary

The Parent

EXECUTED (but not delivered until the date hereof) **AS A DEED** by **[TARGET NEWCO] PLC** acting by:-	))))
	Director
	Director/Secretary

The Security Agent

SIGNED for and on behalf of **THE ROYAL BANK OF SCOTLAND PLC**	))

Schedule 5

FORM OF NOTICE OF ASSIGNMENT OF INSURANCE

To: [Insurer]

Date: [ ]

Dear Sirs,

We give you notice that we have assigned and charged to The Royal Bank of Scotland plc (the "**Security Agent**") pursuant to a deed entered into by us in favour of the Security Agent dated [ ] all our right, title and interest in and to the proceeds of [*insert details of relevant insurance policy*] (the "**Policy of Insurance**").

With effect from your receipt of this notice we instruct you to:

(1) following the Security Agent's notification to you that an Event of Default has occurred make all payments and claims under or arising from the Policy of Insurance to the Security Agent [*insert an account number if required*] or to its order as it may specify in writing from time to time; and

(2) disclose to the Security Agent, without further approval from us, such information regarding the Policy of Insurance and to send it copies of all notices issued by you under the Policy of Insurance as the Security Agent may from time to time request.

With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy of Insurance (including all rights to compel performance) belong to and, following the Security Agent's notification to you that an Event of Default has occurred, are exercisable by the Security Agent.

Please acknowledge receipt of this notice (substantially in the form of the attached) by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at [ ] marked for the attention of [ ].

Yours faithfully,

for and on behalf of
[CHARGOR]

[On copy only:

To: **SECURITY AGENT**

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in such notice and that we will comply with the terms of that notice.

We further confirm that no amendment or termination of the Policy of Insurance shall be effective unless we have given the Security Agent thirty days written notice of it or, if it is not possible to comply with such notification to the Security Agent in accordance with the provisions of the relevant Policy of Insurance, the notice will be provided to the Security Agent in relation to such termination as soon as possible.

For and on behalf of [ ]

By: [ ]

Dated: [ ]

Schedule 6

FORM OF NOTICE OF ASSIGNMENT OF SPECIFIC CONTRACT

To: [ ]

Date: [ ]

Dear Sirs,

We give you notice that we have assigned and charged to The Royal Bank of Scotland plc ("**Security Agent**") pursuant to a deed entered into by us in favour of the Security Agent dated [ ] all our right, title and interest in and to [*details of contract*] (the "**Contract**") including all moneys which may be payable in respect of the Contract.

With effect from your receipt of this notice:-

(1) following the Security Agent's notification to you that an event of Default has occurred all payments by you to us under or arising from the Contract should be made to the Security Agent or to its order as it may specify in writing from time to time;

(2) all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Agent;

(3) all rights to compel performance of the Contract are exercisable by the Security Agent although the Company shall remain liable to perform all the obligations assumed by it under the Contract;

(4) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract belong to the Security Agent and no changes may be made to the terms of the Contract nor may the Contract be terminated without the Security Agent's consent; and

(5) you are authorised and instructed, without requiring further approval from us, to provide the Security Agent with such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Agent as well as to us.

These instructions may not be revoked, nor may the terms of the Contract be amended, varied or waived without the prior written consent of the Security Agent.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at [ ] marked for the attention of [ ].

Yours faithfully,

for and on behalf of
[**CHARGOR**]

[On copy only:]

To: **SECURITY AGENT**

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Contract and that we will comply with the terms of that notice.

We further confirm that:-

(1) no amendment, waiver or release of any of such rights, interests and benefits shall be effective without the prior written consent of the Security Agent;

(2) no termination of such rights, interests or benefits shall be effective unless we have given the Security Agent thirty days written notice of the proposed termination (or if notice is not possible within that period, as soon as possible), specifying the action necessary to avoid such termination; and

(3) no breach or default on the part of the [*insert name of the Chargor*] of any of the terms of the Contract shall be deemed to have occurred unless we have given notice of such breach to the Security Agent specifying how to make good such breach.

For and on behalf of [ ]

By: [ ]

Dated: [ ]

The Chargor

EXECUTED as a Deed
by **THR NUMBER ONE PLC**
acting by acting by ,)
a Director,)
in the presence of:-)
)
) [redacted]

Director

Signature of witness: [redacted]

Name of witness: GREG DAVID STREFFORD

Address: 16 Charlotte Square, Edinburgh EH2 4DF

Occupation: Trainee Solicitor

Signature of witness:

Name of witness:

Address:

Occupation:

The Security Agent

SIGNED for and on behalf of)
THE ROYAL BANK OF SCOTLAND PLC)

SIGNATURES

CHARGOR

EXECUTED as a Deed)
by **THR NUMBER TWO LIMITED**)
)
acting by:-)
)

Director

in the presence of:-

Signature of witness:

Name of witness:

Address:

Occupation:

SECURITY AGENT

SIGNED for and on behalf of) [redacted]
THE ROYAL BANK OF SCOTLAND PLC)