

MR01

Particulars of a charge



Companies House



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

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

054777/623

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

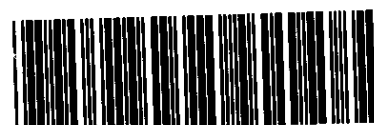
☐ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument. Use form MR08.

For further information, please
refer to our guidance at:
www.gov.uk/companieshouse

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.
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
scanned and placed on the public record. **Do not send the original.**

FRIDAY



SCT *S7LA3L63* #222
21/12/2018
COMPANIES HOUSE

1 Company details

Company number S C 4 0 2 0 9 7
Company name in full RENAISSANCE CARE (NO. 1) LIMITED

For official use

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

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 2 d 0 m 1 m 2 y 2 y 0 y 1 y 8

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 QUERCUS NURSING HOMES 2001 (A) LIMITED as Trustees

Name QUERCUS NURSING HOMES 2001 (B) LIMITED as Trustees

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.

MR01

Particulars of a charge

4 Brief description

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

Brief description

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

Please limit the description to the available space.

5 Other charge or fixed security

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

☐ Yes

☒ No

6 Floating charge

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

☒ Yes Continue

☐ No Go to **Section 7**

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

☐ Yes

7 Negative Pledge

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

☒ Yes

☐ No

8 Trustee statement ^①

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

☐

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

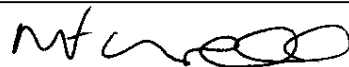
9 Signature

Please sign the form here.

Signature

Signature

X



X

FOR ANDERSON STRATHERN LLP
FOR AND ON BEHALF OF THE PERSONS ENTITLED TO THE CHARGE

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

MRO1

Particulars of a charge



Presenter information

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

Contact name **NEIL FARRELL**

Company name **ANDERSON STRATHERN LLP**

Address **1 RUTLAND COURT**

Post town **EDINBURGH**

County/Region **MIDLOTHIAN**

Postcode **E H 3 8 E Y**

Country **SCOTLAND**

DX **ED 3 EDINBURGH - 1**

Telephone **0131 270 7700**



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



How to pay

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

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



Where to send

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

For companies registered in England and Wales:

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

For companies registered in Scotland:

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

For companies registered in Northern Ireland:

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



Further information

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

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

FLOATING CHARGE

by

RENAISSANCE CARE (NO 1) LIMITED

in favour of

**QUERCUS NURSING HOMES 2001 (A) LIMITED
and QUERCUS NURSING HOMES 2001 (B) LIMITED, as trustees**

TORRY AND JESMOND CARE HOMES

Certified true copy



For and on behalf of
Anderson Strathern LLP
1 Rutland Court
Edinburgh
EH3 8EY

**REF: NXF/QUE0024.0006
ANDERSON STRATHERN LLP
1 RUTLAND COURT
EDINBURGH
TEL: 0131 270 7700
FAX: 0131 270 7703
DX ED3 EDINBURGH - 1
FAS: 0208**



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 402097

Charge code: SC40 2097 0007

The Registrar of Companies for Scotland hereby certifies that a charge dated 20th December 2018 and created by RENAISSANCE CARE (NO1) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st December 2018.

Given at Companies House, Edinburgh on 3rd January 2019



Companies House



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

FLOATING CHARGE by

RENAISSANCE CARE (NO 1) LIMITED incorporated under the Companies Acts (Company No SC402097) and having its registered office at Suite 2, Ground Floor, Stuart House Eskmills Park, Station Road, Musselburgh EH21 7PB (hereinafter referred to as the "Chargor")

in favour of

QUERCUS NURSING HOMES 2001 (A) LIMITED (Registered Number 4181617) and **QUERCUS NURSING HOMES 2001 (B) LIMITED** (Registered Number 4181611) each having their Registered Office at Third Floor, One London Square, Cross Lanes, Guildford, Surrey, , GU1 1UN as Trustees (together, as such trustees, "the Chargee").

WHEREAS:

- (A) The tenant's interest in the Leases are being assigned to the Chargor.
- (B) The Chargee holds the landlord's interest in the Leases.
- (C) In consideration of the Chargee consenting to the Chargor becoming the Chargee's tenant, the Chargor has agreed to grant this Floating Charge.

NOW THEREFORE THIS DEED WITNESSETH as follows:

1. Definitions and Interpretation

1.1 Words and expressions defined in the Leases shall have the same meaning in this Floating Charge unless otherwise defined herein or unless the context otherwise requires.

1.2 In this Floating Charge

1.2.1 "Act" means the Insolvency Act 1986;

1.2.2 "Appointment Event" means the occurrence of any of the following events:

if any of the monies obligations and liabilities secured by this Floating Charge shall not be paid or discharged by the Chargor in accordance with clause 2; or

if the Chargor shall be in breach of any provision of this Floating Charge or of any agreement containing any terms and conditions of or applicable to the monies obligations and liabilities secured by this Floating Charge (including the Lease); or

upon the presentation of a petition for the winding up of the Chargor; or

if a security holder shall take possession of or a receiver shall be appointed over or any secured creditor of the Chargor shall seek to enforce his security in respect of all or any of the property or assets charged by this Floating Charge; or

if a petition shall be presented for an administration order in relation to the Chargor; or

if the Chargor shall enter into any composition or arrangement for the benefit of its creditors; or

upon the occurrence of any event mentioned in clause 5.1.3 to 5.1.10 of any Lease; or

any other event shall take place which in the reasonable opinion of the Chargee puts in jeopardy all or any part of the security created by this Floating Charge;

- 1.2.3 "Business Transfer Agreement" means any agreement relating to the transfer of assets or the businesses being carried on from the Properties to the Chargor;
- 1.2.4 "Charged Property" means the whole and any part of the undertaking property and assets of the Chargor whatsoever and wheresoever present and future;
- 1.2.5 "Company" includes any body corporate;
- 1.2.6 "Group Company" means a subsidiary, a holding company or a subsidiary of a holding company as "subsidiary" and "holding company" are defined by Section 1159 of the Companies Act 2006;
- 1.2.7 "Landlord" means the person or persons who is or are from time to time the landlord under any of the Leases;
- 1.2.8 "Lease" means each lease referred to in Part 2 of the Schedule as amended from time to time and "Leases" shall be construed accordingly;
- 1.2.9 "Property" means each property referred to in Part 3 of the Schedule, described in more detail in the relevant Lease, and "Properties" shall be construed accordingly
- 1.2.10 "Secured Liabilities" means all monies, liabilities and obligations whether principal, interest or otherwise, now or at any time in the future being or becoming due, owing or incurred by the Chargor to the Landlord in any manner of way, including without limitation those due, owing or incurred under the terms of each Lease, or this Floating Charge, whether actual, contingent or future and whether alone, severally or jointly with any other person and whether as principal or surety or in some other capacity, together with interest, legal and other costs, charges and expenses whatsoever on the basis set out in Condition 11 of the Schedule;
- 1.2.11 "Tenant's Assets" is as defined in each Lease; and
- 1.2.12 "Trustees" means trustees of BNP Paribas Jersey Trust Corporation Limited (registered in Jersey with company number 17296) having its registered office at BNP Paribas House, Anley Street, St Helier, Jersey JE2 3QE as trustee of the Quercus Healthcare Property Unit Trust;
- 1.3 Save where the contrary is indicated, any reference in this Floating Charge to this Floating Charge or any other agreement or document shall be construed as a reference to this Floating Charge or, as the case may be, such other agreement or document as the same may have been, or may from time to time be amended, varied, supplemented or novated from time to time.
- 1.4 Headings are inserted for ease of reference only and shall not affect the construction of this Floating Charge.
- 1.5 Any reference in this Floating Charge to any statute shall be deemed to include reference to any statutory modification or re-enactment thereof for the time being in force.
- 1.6 References to clauses, conditions and to the Schedule are to clauses, conditions and to the schedule to this Floating Charge, unless otherwise specified.

2. Covenant to Pay

The Chargor hereby undertakes to the Chargee that it will pay, perform and discharge the Secured Liabilities as and when the same become due or enforceable.

3. Preservation of Rights

The obligations of the Chargor herein contained shall be in addition to and independent of every other security which the Chargee may at any time hold in respect of the Chargor's covenants and obligations under any of the Leases. The obligations of the Chargor herein contained shall constitute and be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever and, in particular, but without limitation, shall not be considered satisfied by any intermediate payment, performance or discharge of all or any of the Secured Liabilities and shall continue in full force and effect until final and irrevocable payment, performance or discharge in full of all the Secured Liabilities.

- 3.1 The security from time to time constituted by or pursuant to this Floating Charge shall be in addition to and shall not prejudice, determine or affect any other security which the Chargee may from time to time hold for or in respect of all or any part of the monies, obligations and liabilities hereby secured. No prior security held by the Chargee over the property charged by this Floating Charge or any part of it shall merge in the security created hereby or pursuant hereto which will remain in force and effect as a continuing security until discharged by the Chargee.
- 3.2 Neither the obligations of the Chargor herein contained nor the rights, powers and remedies conferred in respect of the Chargor upon the Chargee by any of the Leases or this Floating Charge or by law shall be discharged, impaired or otherwise affected by:
 - 3.3 the winding-up or dissolution of the Chargor or any change in the status, function, control or ownership thereof;
 - 3.3.1 any of the covenants and obligations of the Chargor owed to the Chargee being or becoming illegal, invalid, unenforceable or ineffective in any respect;
 - 3.3.2 time or other indulgence being granted or agreed to be granted to the Chargor in respect of its covenants and obligations owed to the Chargee;
 - 3.3.3 any amendment to, or any variation, waiver or release of any covenants or obligations of the Chargor owed to the Chargee;
 - 3.3.4 any failure to take, or fully to take, any security agreed to be taken in respect of the Chargor's covenants and obligations owed to the Chargee;
 - 3.3.5 any failure to realise or fully to realise the value of, or any release, discharge, exchange or substitution of, any security taken in respect of any of the Chargor's covenants and obligations owed to the Chargee; or
 - 3.3.6 any other act, event or omission which, but for this Clause 3, might operate to discharge, impair or otherwise affect any of the obligations of the Chargor herein contained or any of the rights, powers or remedies conferred upon the Chargee by any of the Leases or other document or by law.

- 3.4 Any settlement or discharge between the Chargor and the Chargee shall be conditional upon no security or payment to the Chargee by the Chargor or any other person on behalf of the Chargor being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force and, if any such security or payment is so avoided or reduced, the Chargee shall be entitled to recover the value or amount of such security or payment from the Chargor subsequently as if such settlement or discharge had not occurred.
- 3.5 The Chargee shall not be obliged before exercising any of the rights, powers or remedies conferred upon it in respect of the Chargor by any of the Leases or by law:
- 3.6 to make any demand of the Chargor other than that required by the terms of any of the Leases;
- 3.6.1 to take any action or obtain judgement in any court against the Chargor;
- 3.6.2 to submit, make or file any claim or proof in a winding-up or dissolution of the Chargor; or
- 3.6.3 to enforce or seek to enforce any other security taken in respect of any of the covenants and obligations of the Chargor under any of the Leases.
- 3.6.4 The Chargee may refrain from applying or enforcing any other security, money or rights held or received in respect of the Secured Liabilities or may apply the same in such manner and order as it sees fit and the Chargor shall not be entitled to the benefit of the same until all the Secured Liabilities have been irrevocably paid and discharged in full.
- 3.7 No delay on the part of the Chargee in exercising any right, power or remedy shall operate as a waiver thereof nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy.
- 3.8 No amendment, modification or waiver of, or any consent with regard to, any provision of this Floating Charge shall in any event be effective unless the same shall be in writing, and signed and delivered by the Chargee and then such amendment, modification, waiver or consent shall be effective only in the specific instance for the purpose for which it was given.

4. Charging Clause

The Chargor hereby grants a floating charge, which is a qualifying floating charge for the purposes of paragraph 14 of Schedule B1 to the Act, over the Charged Property for the timeous performance and discharge to the Chargee of all the Secured Liabilities.

5. Ranking of Charges

The charge created hereby shall be a continuing security and shall (1) be postponed to any standard security granted by the Chargor in favour of the Chargee or any Group Company of the Chargee (2) rank equally with any other floating charge granted by the Chargor to the Chargee or any Group Company of the Chargee and (3) subject as aforesaid unless otherwise agreed in writing by the Chargee be a first charge ranking in priority to any other fixed or floating charge. If any fixed or floating charge is granted in breach of such provision, this Floating Charge shall rank in priority to that fixed security or floating charge.

6. **Incorporation of Conditions**

This Floating Charge is issued subject to and with the benefit of the conditions set out in the Schedule hereto.

7. **Representations and Warranties**

The Chargor represents and warrants to the Chargee that:

- (a) it is a limited liability company duly incorporated and validly existing under the laws of its place of incorporation and it has the power to own its property and assets and carry on its business as it is and will be conducted and to enter into and perform its covenants and obligations under this Floating Charge and the Leases;
- (b) it has taken all necessary corporate action and has obtained all necessary consents and approvals in order to enable it lawfully to enter into, exercise its rights under and perform the covenants and obligations assumed by it under this Floating Charge and the Leases;
- (c) the covenants and obligations assumed by it under this Floating Charge and the Leases are legal, valid and binding obligations on it and are, subject to all applicable insolvency laws and to due registration pursuant to the Companies Act 2006, enforceable in accordance with their terms;
- (d) the execution and performance by it of the covenants and obligations assumed by it under the Leases will not contravene any law or regulation or any of its constitutional documents or any agreement, instrument or understanding to which it is a party;
- (e) its obligations hereunder will on a liquidation or winding up rank in priority to all its other obligations except obligations which have priority by operation of law applicable generally to companies incorporated in Scotland or as agreed to (in writing) by the Chargee;
- (f) this Floating Charge creates a valid floating charge over all the Charged Property, securing the payment of the Secured Liabilities and, other than registration hereof pursuant to Part 25 of the Companies Act 2006, no authorisation, approval or other action by, and no notice to or filing with any person, governmental authority or regulatory body is required either for the grant by the Chargor of the charge granted hereby or for the execution, delivery or performance of this Floating Charge by the Chargor, or for the exercise by the Chargee of its rights and remedies hereunder.

8. **Remedies – Cumulative**

All obligations of the Chargor and all rights, powers and remedies of the Chargee expressed in this Floating Charge are in addition to all other rights, powers and remedies possessed by it, including, without limitation, those provided by applicable law or in any other written instrument or agreement relating to any of the Chargor's obligations or the Charged Property.

9. **Rights of Third Parties**

This Deed does not create any rights in favour of third parties under the Contract (Third Party Rights) (Scotland) Act 2017 to enforce or otherwise invoke any provision of this Deed.

10. Governing Law

This Floating Charge shall be governed by and construed in accordance with Scots law.

IN WITNESS WHEREOF this document, consisting of this and the preceding five pages, with the Schedule annexed, is executed as follows:

EXECUTED by the said
RENAISSANCE CARE (No 1) LIMITED
acting by


.....Director


.....Witness

REBECCA COX
.....Name of Witness

30 Sample Street
.....Address of witness

Edinburgh, EH3 8BC
.....Address of witness

Edinburgh
.....Place of signing (eg Edinburgh)

20 December 2018
.....Date of signing

The Director should also sign the last page of the Schedule

THE SCHEDULE TO THE FOREGOING FLOATING CHARGE

Part 1

granted by Renaissance Care (No 1) Limited to Quercus Nursing Homes 2001 (A) Limited and Quercus Nursing Homes 2001 (B) Limited as trustees

Conditions

1. Payments and other obligations in respect of the Charged Property

The Chargor shall as and when the same become payable pay all taxes, rates, duties, charges, assessments and outgoings whatsoever (whether parliamentary, parochial, local or of any other description) which shall be assessed, charged or imposed upon or payable in respect of the Charged Property or any part thereof and in default thereof it shall be lawful (but not obligatory) for the Chargee to pay and discharge such sums which at any time may be or become due, assessed or payable in respect of Charged Property and the Chargor shall repay the same to the Chargee on demand.

2. Administrator

Upon the happening of any Appointment Event or if the Chargor so requests in writing the Chargee may without further notice to the Chargor appoint by instrument in writing any one or more persons appropriately qualified either singly, jointly or jointly and severally to be an administrator of the Chargor (each an "Administrator") to carry out the functions and to have the powers as set out in Schedule B1 to the Act.

3. Appointment and Removal of Receiver

3.1 Upon the happening of any Appointment Event or if the Chargor so requests in writing the Chargee may without further notice to the Chargor appoint by instrument in writing any one or more persons either singly, jointly or severally to be a receiver or receivers (each a "Receiver") of all or any part of the Charged Property and either at the time of appointment or any time thereafter may fix his or their remuneration and except as otherwise required by statute may remove any such Receiver and appoint another or others in his or their place, provided that the Chargee may not appoint an administrative receiver if the Chargee is prohibited from doing so by section 72A of the Act and no exception to the prohibition on appointing an administrative receiver applies.

3.2 Any Receiver shall be the agent of the Chargor which shall be solely responsible for his acts and defaults and the payment of his remuneration.

4. Powers of Receiver

4.1 Any Receiver shall have all the powers conferred by the Act on receivers, administrative receivers and administrators appointed under that Act which in the case of a joint receiver may be exercised either jointly or severally. In addition, but without prejudice to the generality of the foregoing the Receiver shall have power (in the name of the Chargor or otherwise and in such manner and on such terms and conditions as he shall think fit) to:

- 4.2 take possession of collect and get in all or any part of the Charged Property in respect of which he is appointed and for that purpose to take any proceedings;
- 4.3 carry on or concur in carrying on the business of the Chargor and to raise money from the Chargee or others on the security of any Charged Property;
- 4.4 purchase or acquire any land and purchase, acquire and grant any interest in or right over land;
- 4.5 sell or concur in selling, let or concur in letting and terminate or accept surrenders of leases or tenancies of any of the Charged Property and to carry any such transactions into effect;
- 4.6 sell, assign, let or otherwise dispose of or concur in selling, assigning, letting or otherwise disposing of all or any of the debts and any other Charged Property in respect of which he is appointed;
- 4.7 make any arrangement or compromise between the Chargor and any other person which he may think expedient;
- 4.8 make and effect all repairs, improvement and insurances;
- 4.9 purchase materials, tools, equipment, goods or supplies;
- 4.10 call up any uncalled capital of the Chargor with all the powers conferred by the Articles of Association of the Chargor in relation to calls;
- 4.11 employ, engage and appoint managers and other employees and professional advisers;
- 4.12 do all such other acts and things as may be considered to be incidental or conducive to any other matters or powers aforesaid or to the realisation of the security constituted by this Floating Charge and which he lawfully may or can do.

5. Proceedings

The Chargor shall in the event of a notice being served affecting the Charged Property or any part thereof or in the event of any proceedings being commenced affecting the same immediately give full details thereof to the Chargee.

6. Removal/Leasing

The Chargor shall keep all of the Tenant's Assets at the Properties and shall not, except with the previous written consent of the Chargee, remove any of the Tenant's Assets from the Properties or grant or agree to grant any lease over the Charged Property or any part thereof.

7. Further Assurance

- 7.1 The Chargor shall from time to time execute all such deeds, documents, agreements and instruments in such form as the Chargee may reasonably require to perfect the security hereby constituted (or intended to be hereby constituted) and following the occurrence of any Appointment Event shall execute all such deeds, documents, agreements and instruments and do all such things as the Chargee may reasonably require for facilitating the realisation of the Charged Property or any part thereof and for exercising all powers, authorities and discretions hereby or by law conferred on the Chargee or any Receiver or Administrator appointed by the Chargee. The Charger hereby irrevocably appoints the Chargee to be the Attorney of the

Chargor in the name and on behalf of the Chargor to execute and give such assurances and do such things which the Chargor might reasonably be expected to execute and do hereunder.

- 7.2 The Chargor irrevocably appoints the Chargee and any Receiver and any Administrator jointly and severally as its attorney, with full power of delegation, for it and in its name and on its behalf and as its act and deed or otherwise, following an Appointment Event to execute, deliver and otherwise perfect any deed, assurance, agreement or act which may be required or may be deemed proper for any of the purposes set out in this Floating Charge. The Chargor shall ratify and confirm all transactions entered into by the Chargee, any Receiver, any Administrator or any delegate in the exercise or purported exercise of the Chargee's or Receiver's or Administrator's respective power of attorney given by this condition 7.2.

8. Application of Receipts

All monies received under the powers hereby conferred shall subject to the repayment of any claims having priority to this Floating Charge be applied for the following purpose and in the following order of priority:

- 8.1 in satisfaction of all costs, charges and expenses properly incurred and payments properly made by the Chargee or any Receiver or any Administrator appointed hereunder and of all remuneration due hereunder with interest on such costs, charges, expenses and payments as hereinafter provided in such order as the Chargee shall in its absolute discretion decide.
- 8.2 in satisfaction of the Secured Liabilities in such order as the Chargee shall decide; and
- 8.3 the surplus (if any) shall be paid to the person or persons entitled thereto.

9. Receiver's Liability

The Chargee shall not nor shall any Receiver or Administrator appointed as aforesaid by reason of its or the Receivers entering into possession of the Charged Property or any part thereof be liable to account as security holder in possession or be liable for any loss on realisation or for any default or omission for which a security holder in possession might be liable but every Receiver or Administrator duly appointed by the Chargee under the powers in that behalf hereinbefore contained shall be deemed to be the agent of the Chargor for all purposes.

10. Protection of Purchaser

No purchaser, mortgagee or other person or company dealing with the Chargee, or any Receiver or Administrator or its or his agents shall be concerned to enquire whether the Secured Liabilities have been paid, performed or discharged or whether the power which such Receiver or Administrator is purporting to exercise has become exercisable. The receipt of a Receiver or Administrator shall be an absolute discharge to a purchaser from, or other person dealing with, the Receiver or Administrator and shall relieve that purchaser of any obligation to see to the application of any monies paid to or at the discretion of the Receiver or Administrator.

11. Costs and Expenses

All costs, charges and expenses incurred and all payments made by the Chargee or any Receiver appointed hereunder in the lawful exercise of the powers hereby conferred whether or not occasioned by any act, neglect or default of the Chargor shall carry interest from the date of the

same being incurred or, if later, becoming payable at the rate of 4 per cent per annum above the base rate from time to time of Barclays Bank PLC (or such other bank being a member of the British Banker's Association as the Chargee may from time to time nominate) and the amount of all such interest thereon and all remuneration payable hereunder shall be payable by the Chargor on demand and shall be an additional charge on the Charged Property. All such costs, charges, expenses and payments shall be paid and charged as between the Chargee and the Chargor on the basis of a full indemnity and not on the basis of party and party or any other kind of taxation. The remuneration of the Receiver shall be such as may be agreed between him and the Chargee.

12. Indemnity

The Chargee and (save in cases of gross negligence on their part) every Receiver, Administrator, attorney, manager, agent or other person appointed by the Chargee hereunder shall be entitled to be indemnified out of the Charged Property in respect of all liabilities and expenses incurred by them or it in the execution or purported execution of any of the powers, authorities or discretions vested in them or it pursuant to these Conditions and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Charged Property and the Chargee and any such Receiver and any such Administrator may retain and pay all sums in respect of the same out of any monies received under the powers hereby conferred.

13. Avoidance of Payments

No assurance, security or payment which may be avoided under Sections 238-245 of the Act or under any other enactment relating to insolvency, bankruptcy or liquidation (or under any similar legislation binding on the Chargor in a jurisdiction other than England and Wales or Scotland), and no release, settlement or discharge given or made by the Chargee on the faith of any such assurance, security or payment, shall prejudice or affect the right of the Chargee to enforce the security created by or pursuant to this Floating Charge in respect of the full extent of the Secured Liabilities hereby secured.

14. Restrictions on Dealing

The Chargor shall not without the prior written consent of the Chargee:

- 14.1 create or permit to subsist any mortgage, charge, pledge, hypothecation, lien or other security interest on any of its assets other than this Floating Charge or any other charge granted by the Chargor to the Chargee or any Group Company of the Chargee;
- 14.2 sell, transfer, lease, lend or otherwise dispose of the whole or any part of its undertaking its assets or (save in the normal course of trading at not less than market value, on condition that such assets are replaced by items of no less quality and value and which are owned by the Chargor) enter into any agreement or grant any option for any such sale, transfer, lease, loan or other disposal;
- 14.3 part with possession of any heritable property or leased property, grant or agree to grant any option or any licence or other right of occupation to any person provided that such restrictions shall not be construed as a limitation on the powers of any Receiver or Administrator appointed under this Floating Charge and being an agent of the Chargor;

- 14.4 pull down or remove or redevelop or make any material alteration to the whole or any part of any buildings or sever, unfix or remove any fixtures or remove any plant or machinery belonging to or in use by the Chargor except for the purpose of effecting repairs or replacing the same.
15. Covenants by the Chargor
- 15.1 The Chargor shall:
- 15.1.1 keep all buildings and all plant, machinery, fixtures and fittings in good repair and condition and permit any person or persons nominated by the Chargee free access at all reasonable times to view the state and condition thereof;
- 15.1.2 (in the case of the Properties and their Contents subject to the terms of the Leases) insure and keep insured such of its property as is insurable with such insurer and against such risks and in such amounts and otherwise in such terms as the Chargee may require and will maintain such other insurances as are normally maintained by prudent companies carrying on similar businesses with the interest of the Chargee noted upon all policies of such insurance or, if the Chargee shall require, in the joint names of the Chargor and the Chargee and will produce or deposit with the Chargee all such policies and receipts for all premium and other payments necessary for effecting and maintaining such insurances;
- 15.1.3 (in the case of the Properties and the Tenant's Assets subject to the terms of the Leases) apply any insurance proceeds in making good the loss or damage or at the Chargee's option in or towards the discharge of the monies obligations and liabilities secured by this Floating Charge;
- 15.1.4 punctually pay all rents, taxes, duties, assessments and other outgoings and observe and perform all restrictive and other covenants under which any of the property subject to the Floating Charge is held;
- 15.1.5 comply with the provisions of all present or future statutes and directives and every notice, order or direction made under any of the foregoing;
- 15.1.6 provide the Chargee with all financial and other information with respect to the assets, liabilities and affairs of the Chargor and its subsidiaries and associated companies (if any) that the Chargee from time to time require acting reasonably ;
- 15.1.7 give the Chargee reasonable details of any matter giving rise to a loss to the Chargor caused by a breach by a third party of the terms of the Business Transfer Agreement, take all reasonable steps available to the Chargor (including litigation) to enforce any of its rights pursuant to the Business Transfer Agreement, keep the Chargee advised as to progress in enforcing any of those rights, and unless otherwise agreed with the Chargee apply any sums recovered by the Chargor in making good the said loss.
- 15.2 If the Chargor shall fail to satisfy the Chargee that it has performed any of its obligations under condition 15.1 then the Chargee may take such steps as it considers appropriate to procure the performance of such obligation and shall not thereby be deemed to be a mortgagee in possession and the monies expended by the Chargee shall be reimbursed by the Chargor on demand and until so reimbursed shall carry interest as mentioned in condition 11 from the date of payment to the date of reimbursement.

16. Notices

Any demand or notice under this Floating Charge may be served personally on any director or the secretary of the Chargor or may be sent by post or facsimile or may be delivered to the registered office of the Chargor or its last known place of business. If such demand or notice is sent by post it shall be deemed to have been received on the day following the day on which it was posted and shall be effective notwithstanding that it was not in fact delivered or was returned undelivered. If sent by facsimile it shall be deemed to have been received (whether or not actually received) at the time of dispatch, provided that a successful transmission report is received.

17. Obligations in respect of the Chargor

17.1 The Chargor shall not, save with the prior written consent of the Chargee:

17.1.1 carry on any business other than that operated from the Properties or from any other heritable property let by the Chargee or by any Group Company of the Chargee to the Chargor;

17.1.2 lend or give credit to or indemnify or guarantee any other person(s);

17.1.3 join any partnership or joint venture with any other person or amalgamate with any other person (other than in the ordinary course of business or as part of a solvent reconstruction with the prior written consent of the Chargee);

17.1.4 acquire any business or business assets other than those that are operated from the Properties; or

17.1.5 acquire any company or business (or any shares in any company) or incorporate any subsidiaries.

17.2 The Chargor warrants that it has not undertaken any such activities as are mentioned in paragraph 17.1 of this Schedule except that the Chargor has acquired care home businesses from properties owned by the Chargee and/or a Group Company of the Chargee.

18. Investigations

18.1 If any Appointment Event occurs (while it is continuing unwaived) the Chargee shall be entitled to initiate an investigation of, and/or instruct the preparation of a report (accounting, legal, valuation or other) on, the business and affairs of the Chargor and/or any other Group Company which the Chargee considers necessary to ascertain the financial position of the Chargor, and the Chargor shall co-operate in the preparation of such investigation and/or report, and all fees and expenses incurred by the Chargee in so doing shall be payable by the Chargor.

18.2 The Chargor hereby consents to the provision by the Chargee of all information in relation to the Chargor which the Chargee provides to any person in relation to the preparation of a report as is referred to in paragraph 19.1 above.

19. Miscellaneous

19.1 The Chargee shall have a full and unfettered right to assign the whole or any part of the benefit of this Floating Charge and the expression "the Chargee" shall include its successors and assignees and the Chargee shall be entitled to disclose any information on a confidential basis to any actual or prospective assignee or successor.

- 19.2 The provisions of this Floating Charge shall be severable and if at any time any one or more such provisions is or becomes invalid, illegal or unenforceable the validity, legality and enforceability of the remaining provisions shall not in any way be impaired.
- 19.3 In the event of any conflict between the terms of this Floating Charge and those of the Leases, the terms of the Leases shall apply.

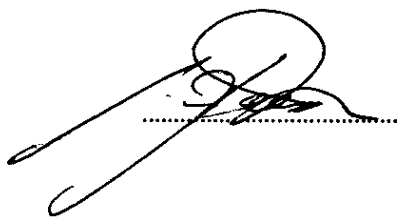
Part 2

1. Lease between Quercus Nursing Homes 2001 (A) Limited, Quercus Nursing Homes 2001 (B) Limited as trustees and Argus Properties (ABZ) Limited dated 17th and 31st July 2008 and registered in the Books of Council and Session on 16th September 2008 relating to Jesmond Care Home, registered in the Land Register of Scotland under title number ABN98964 ("the Jesmond Lease").
2. Lease between Quercus (Nursing Homes) Limited, Quercus (Nursing Homes No. 2) Limited as trustees, and Torry Nursing Home Limited, dated 20th December 2000 and 10th January 2001 and registered in the Books of Council and Session on 2nd April 2001 including a Supplemental Lease between Quercus Nursing Homes 2001 (A) Limited and Quercus Nursing Homes 2001 (B) Limited as trustees, Torry Nursing Home Limited and Argus Care Limited contained in a minute of variation between those parties dated 16 August and 20 October 2005 and registered in the Books of Council and Session on 15 May 2006, all relating to Torry Nursing Home, registered in the Land Register of Scotland under title number KNC9458 ("the Torry Lease").

Part 3

1. Jesmond Care Home, Jesmond Drive, Bridge of Don, Aberdeen ("Jesmond Care Home") described in more detail in the Jesmond Lease.

Torry Nursing Home, 36, 38 and 38a Balnagask Road, Aberdeen, AB11 8HR ("Torry Nursing Home") described in more detail in the Torry Lease



.....Director