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CHFP041

COMPANIES FORM No. 395**Particulars of a mortgage or charge***Pursuant to section 395 of the Companies Act 1985***395****A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.**

001797/20

*Please do not write in this margin**Please complete legibly, preferably in black type or bold block lettering*** Insert full name of company**To the Registrar of Companies
(Address overleaf - Note 6)**For official use Company number*☐ ☐ 13

1505382

*Name of company**** Priory Healthcare Limited (the "Company")***Date of creation of the charge*

2 October 2003

4/9/2003

Description of the instrument (if any) creating or evidencing the charge (note 2)

Standard Security which was presented for registration in Scotland on 4 October 2003

Amount secured by the mortgage or charge

The Borrower Secured Liabilities.

See Paper Apart for definitions.

Names and addresses of the mortgagees or persons entitled to the charge

Citicorp Trustee Company Limited (Company Number 00235914), Citigroup Centre, Canada Square, Canary Wharf, London (Bureau Security Trustees)

Postcode E14 5LB

*Presentor's name, address and reference (if any):*Dundas & Wilson CS
20 Castle Terrace
Edinburgh EH1 2EN*For official use
Mortgage section**Time critical reference*

DAC/SJP/RBS001.1288

Com 395-1/2

Short particulars of all the property mortgaged or charged

ALL and WHOLE the subjects situated at and known as Forty Mansionhouse Road, Langside, Glasgow, (G41 3DN) registered in the Land Register of Scotland under Title Number GLA108784.

Please do not write in this margin

Please complete legibly, preferably in black type or bold block lettering

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

Particulars as to commission allowance or discount (note 3)

N/A

Signed



Date 16/10/03

On behalf of [company] [mortgagee/chargee]*

*Delete as appropriate

Notes.

1. The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
2. A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
3. In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional, for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
4. If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
5. Cheques and Postal Orders are to be made payable to Companies House.
6. The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF4 3UZ.

THIS IS THE PAPER APART REFERRED TO IN THE FOREGOING FORM 395 RELATIVE TO A STANDARD SECURITY BY PRIORY HEALTHCARE LIMITED IN FAVOUR OF CITICORP TRUSTEE COMPANY LIMITED DATED 4 SEPTEMBER 2003 AND REGISTERED IN THE LAND REGISTER OF SCOTLAND 2 OCTOBER 2003

Definitions of capitalised words and expressions used in this Form 395:

In this Form 395, the following defined terms have the meanings set out below:

"Account Bank and Cash Management Agreement" means the account bank and cash management agreement dated on or about the Closing Date and made between the Obligor, the Account Bank, the Issuer, the Cash Manager, the Borrower Security Trustee and the Note Trustee;

"Account Bank" means The Royal Bank of Scotland plc, acting through its office at 62-63 Threadneedle Street, London EC2R 8LA, in its capacity as account bank;

"Additional Obligor" means any direct or indirect subsidiary of the Priory Securitisation Group Parent which has become an Additional Obligor in accordance with Clause 6 (*Additional Obligors*) of the Issuer/Borrower Facility Agreement;

"Additional Term Advance" means a Further Term Advance and/or a New Term Advance under an Additional Term Facility, as the context may require;

"Additional Term Facility" means a Further Term Facility and/or a New Term Facility, as the context may require;

"Borrower Debenture" means the debenture dated 4 September 2003 and executed as a deed by, among others, the Borrower Security Trustee;

"Borrower Secured Creditors" means:

- (a) the Borrower Security Trustee (for itself and for and on behalf of the other Borrower Secured Creditors);
- (b) the Issuer;
- (c) the Cash Manager, only for so long as it is not a member of the Priory Group;
- (d) the CapEx Facility Provider;
- (e) the Working Capital Facility Provider;
- (f) the Account Bank;
- (g) the Bridge Facility Provider;

- (h) any Receiver appointed under the Borrower Debenture; and
- (i) any such other creditor who may accede to the Subordination and Intercreditor Deed from time to time in accordance with the terms thereof and is designated as a Borrower Secured Creditor;

"Borrower Secured Liabilities" means the aggregate of all obligations, moneys and liabilities (including the unpaid balance of every sum (of principal, interest or otherwise), any liability in respect of any Term Advances, whether present or future, actual or contingent (and whether incurred by an Obligor solely or jointly with one or more Obligors and whether as principal or as surety or in some other capacity) and under or in respect of any guarantees), which from time to time are or may become due, owing or payable by the Obligors to the Borrower Security Trustee (whether for its own account or as trustee for the Borrower Secured Creditors) or any of the other Borrower Secured Creditors under any Borrower Transaction Document;

"Borrower Security Documents" means:

- (a) the Borrower Debenture;
- (b) the Subordination and Intercreditor Deed;
- (c) the Standard Securities;
- (d) the Conditional Bond and Security;
- (e) any power of attorney executed and delivered by the Obligors pursuant to the terms of any Borrower Security Document; and
- (f) any other document or instrument granted in favour of the Borrower Security Trustee (on behalf of the Borrower Secured Creditors) creating or evidencing the security for all or any part of the Borrower Secured Liabilities;

"Borrower Security Trustee" means Citicorp Trustee Company Limited in its capacity as borrower security trustee;

"Borrower Transaction Documents" means each or any of:

- (a) the Issuer/Borrower Facility Agreement;
- (b) the Borrower Debenture;
- (c) the Standard Securities;
- (d) the Conditional Bond and Security;



- (e) the Subordination and Intercreditor Deed;
- (f) the Intra-Group Facility Agreement;
- (g) the Subordinated Loan Agreement;
- (h) the Account Bank and Cash Management Agreement;
- (i) the Tax Deed of Covenant;
- (j) the Working Capital Facility Agreement;
- (k) the CapEx Facility Agreement;
- (l) the Bridge Facility Agreement;
- (m) the Resale Agreement;
- (n) the Subscription Agreement;
- (o) the Services Agreement;
- (p) the Master Framework Agreement;
- (q) the Security over Shares Agreement;
- (r) the Trust Agreement; and
- (s) any other agreement, instrument or deed designated as such by the Obligors and the Borrower Security Trustee;

"Borrowers" means Priory Securitisation Limited (registered number 03982134), Priory Securitisation Holdings Limited (registered number 4793915), Priory Healthcare Limited (registered number 01505382), Priory Education Services Limited (registered number 02838284), Blenheim Healthcare Limited (registered number 03136041), Priory Rehabilitation Services Limited (registered number 03074698), Priory Central Services Limited (registered number 04391278), Farm Place Limited (registered number 02663868), Priory Specialist Health Limited (registered number 03899044) and Farleigh Schools Limited (registered number 03225255), each of which is a private limited company incorporated in England and Wales and each of whose registered office is at Priory House, Randalls Way, Leatherhead, Surrey KT22 7TP and the term **"Borrowers"** shall include any Obligor to which an Additional Term Advance is made;

"Bridge Facility Agreement" means the bridge facility agreement dated on or about the Closing Date and made between Priory Securitisation Limited and the Bridge Facility Provider;



"Bridge Facility Provider" means The Royal Bank of Scotland plc, acting through its office at 280 Bishopsgate, London EC2M 4RB in its capacity as bridge facility provider;

"CapEx Facility Agreement" means the capital expenditure facility agreement dated on or about the Closing Date and made between, *inter alios*, the Obligors, the CapEx Facility Provider and the Borrower Security Trustee;

"CapEx Facility Provider" means The Royal Bank of Scotland plc, acting through its office at 280 Bishopsgate, London EC2M 4RB, or such other entity or entities appointed as capital expenditure facility provider from time to time, subject to and in accordance with the terms of the CapEx Facility Agreement;

"Cash Manager" means Priory Central Services Limited, in its capacity as cash manager for the Obligors and the Issuer, acting through its registered office at Priory House, Randalls Way, Leatherhead, Surrey KT22 7TP, or such other entity or entities appointed as cash manager for the Obligors and the Issuer from time to time, subject to and in accordance with the terms of the Account Bank and Cash Management Agreement;

"Closing Date" means 4 September 2003;

"Conditional Bond and Security" means the conditional bond and security granted over the Isle of Man Real Property pursuant to Clause 3.4 (*Isle of Man Conditional Bond and Security*) of the Borrower Debenture substantially in the form set out in Schedule 10 (*Form of Conditional Bond and Security*) thereto;

"Fitch" means Fitch Ratings Limited or any successor to its rating business;

"Further Term A Facility" means a Further Term Facility available to the Borrowers pursuant to Clause 2.2.1 of the Issuer/Borrower Facility Agreement;

"Further Term Advance" means any advance made under a Further Term Facility;

"Further Term B Facility" means a Further Term Facility available to the Borrowers pursuant to Clause 2.2.2 of the Issuer/Borrower Facility Agreement;

"Further Term C Facility" means a Further Term Facility available to the Borrowers pursuant to Clause 2.2.3 of the Issuer/Borrower Facility Agreement;

"Further Term Facility" means a further term facility which may be requested by any Obligor at any time by written notice to the Issuer (with a copy thereof to the Borrower Security Trustee) and the Rating Agencies ranking *pari passu* with the relevant Initial Term Facility pursuant to Clause 2.4 (*Request for an Additional Term Facility*) of the Issuer/Borrower Facility Agreement and is

made available to the Obligor by the Issuer in accordance with and subject to Clause 2.5 (*Granting of an Additional Term Facility*) of the Issuer/Borrower Facility Agreement;

"Initial Term A Facility" means the Initial Term Facility available to the Borrowers on the Closing Date pursuant to Clause 2.1.1 of the Issuer/Borrower Facility Agreement;

"Initial Term B Facility" means the Initial Term Facility available to the Borrowers on the Closing Date pursuant to Clause 2.1.2 of the Issuer/Borrower Facility Agreement;

"Initial Term C Facility" means the Initial Term Facility available to the Borrowers on the Closing Date pursuant to Clause 2.1.3 of the Issuer/Borrower Facility Agreement;

"Initial Term Facility" means the Term Facility granted by the Issuer to the Borrowers on the Closing Date pursuant to Clause 2.1 (*Initial Term Facilities*) of the Issuer/Borrower Facility Agreement;

"Intermediate Parent" means Priory Group Limited acting in its capacity a intermediate parent;

"Intra-Group Facility Agreement" means the intra-group facility agreement dated on or about the Closing Date and made between the Obligors;

"Isle of Man Real Property" means the real property specified in Part 3 of Schedule 1 (*Details of Real Property*) to the Borrower Debenture and any other real property situated in the Isle of Man title to which is held by an Obligor either on or after the Closing Date (excluding the short term leasehold properties specified in Part 4 of Schedule 1 (*Short Term Leasehold Properties*) to the Borrower Debenture);

"Issuer Deed of Charge" means the deed of charge dated on or about the Closing Date and made between, *inter alios*, the Issuer, the Cash Manager, the Account Bank, the Borrower Security Trustee and the Note Trustee and includes any deed or other document expressed to be supplemental thereto or any amendments or modifications made thereto;

"Issuer Security Documents" means:

- (a) the Issuer Deed of Charge (including any Supplemental Issuer Deed of Charge);
- (b) any power of attorney executed and delivered by the Issuer pursuant to the terms of any Issuer Security Document; and
- (c) any other document or instrument granted in favour of the Note Trustee creating or evidencing the security for liabilities of the Issuer;

"Issuer" means Priory Finance Company Limited, a special purpose company with limited liability incorporated in the Cayman Islands with registered number 100676 and whose registered office is at P.O. Box 309, George Town, Grand Cayman, Cayman Islands;

"Issuer/Borrower Facility Agreement" means the facility agreement dated on or about the Closing Date and made between the Obligors, the Issuer, the Cash Manager and the Borrower Security Trustee;

"Master Framework Agreement" means the master framework agreement dated on or about the Closing Date and made between the Obligors, the Issuer and Borrower Security Trustee;

"New Term Advance" means any advance made under a New Term Facility;

"New Term Facility" means a new term facility which may be requested by an Obligor at any time by written notice to the Issuer (with a copy to the Borrower Security Trustee and the Rating Agencies) and which will rank no higher than the Term A Facility but which can rank *pari passu* with the existing Term A Facility or below the Term A Facility but ahead of the Term B Facility or *pari passu* with or below the Term B Facility but ahead of the Term C Facility or *pari passu* with or below the Term C Facility pursuant to Clause 2.4 (*Request for an Additional Term Facility*) of the Issuer/ Borrower Facility Agreement and made available to the Obligors by the Issuer in accordance with and subject to Clause 2.5 (*Granting of an Additional Term Facility*) of the Issuer/Borrower Facility Agreement;

"Note Trustee" means Citicorp Trustee Company Limited whose registered office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB;

"Notes" means the £140,250,000 Class A Secured Fixed/Floating Rate Notes due 2023 of the Issuer constituted by the Trust Agreement, the £74,250,000 Class B Secured Floating Rate Notes due 2027 of the Issuer constituted by the Trust Agreement, the £13,750,000 Class C Secured Floating Rate Notes due 2033 of the Issuer constituted by the Trust Agreement and, as the context may require, includes the Further Class A Notes, the Further Class B Notes and/or the Further Class C Notes and/or any New Notes as such terms are defined in the terms and conditions to the Notes;

"Obligor Charged Property" means the property, assets, rights and undertaking of each Obligor that are the subject of the Security Interests created in or pursuant to the Borrower Security Documents;

"Obligors" means the Borrowers, Priory Rehabilitation Services Holdings Limited (registered number 02915765), Priory Services for Young People (IOM) Limited (registered number 101005C), The Nottingham Clinic Limited (registered number 02220967), North Hill House Limited (registered number 03968590), Highbank Private Hospital Limited (registered number 02049088), Jacques Hall Development Limited (registered number 03213815), Jacques Hall Limited (registered number

03213812), Robinson Kay House (Bury) Limited (registered number 02625256), Priory Hospitals Limited (registered number 03189363), Priory Healthcare Services Limited (registered number 02188451), Libra Health Limited (registered number 01355923), Libra Nursing Homes Limited (registered number 01004767), Ticehurst House Private Clinic Limited (registered number 00904127), Priory Healthcare Holdings Limited (registered number 03738107), Priory Specialist Health Division Limited (registered number 03893502) and where the context requires, any Additional Obligor;

"Priory Group" means the companies, including the Priory Securitisation Group, which have Priory Healthcare Investments Limited (registered number 04433250) as their ultimate parent company;

"Priory Healthcare Finance Co Limited" means

"Priory Securitisation Group Parent" means Priory Securitisation Holdings Limited (registered number 4793915), whose registered office is at Priory House, Randalls Way, Leatherhead, Surrey KT22 7TP;

"Rating Agencies" means Fitch and S&P;

"Receiver" means any receiver, manager, receiver and manager or administrative receiver who (in the case of an administrative receiver) is a qualified person in accordance with the Insolvency Act 1986 and who is appointed:

- (a) by the Borrower Security Trustee under Clause 16 (*Appointment of Receiver or Administrator*) of the Borrower Debenture in respect of the whole or any part of the Obligor Charged Property; or
- (b) by the Note Trustee under Clause 18 (*Appointment and Removal of Receiver or Administrator*) of the Issuer Deed of Charge in respect of the whole or any part of the property secured by the Issuer under the Issuer Security Documents;

"Resale Agreement" means the agreement governing the sale of certain tranches of the Notes dated on or about the Closing Date and made between the Issuer, the Obligors and the Note Trustee;

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. or any successor to its rating business;

"Scottish Heritable Property" means:

- (a) the leasehold property held by Priory Healthcare Limited and known as 38 Mansionhouse Road, Glasgow registered in the Land Register of Scotland under Title Number GLA 124773;

- (b) the heritable property owned by Priory Healthcare Limited known as 40 Mansionhouse Road, Glasgow registered in the Land Register of Scotland under Title Number GLA 108784; and
- (c) any other heritable or leasehold property situated in Scotland title to which is held by an Obligor either on or after the Closing Date;

"Scottish Mortgaged Property" means a Scottish Heritable Property over which an Obligor has granted a Standard Security;

"Security Interest" means any mortgage, standard security, pledge, lien, charge, assignment, assignation, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security;

"Security over Shares Agreement" means a security over shares agreement dated on or about the Closing Date and made between, *inter alios*, Priory, Priory Healthcare Finance Co Limited, the Intermediate Parent and the Obligors;

"Services Agreement" means a services agreement dated on or about the Closing Date and made between the Obligors and Priory Healthcare Investments Limited;

"Standard Security" means each standard security in terms of the Conveyancing and Feudal Reform (Scotland) Act 1970 granted over a Scottish Mortgaged Property pursuant to Clause 3.3 (*Scottish Heritable Property*) or Clause 5.9 (*Future Scottish Heritable Property*) of the Borrower Debenture substantially in the form set out in Schedule 9 (*Form of Standard Security*) thereto;

"Subordinated Loan Agreement" means the subordinated loan agreement dated on or about the Closing Date and made between Priory Rehabilitation Services Limited, Priory Education Services Limited and Blenheim Healthcare Limited and the Intermediate Parent;

"Subordination and Intercreditor Deed" means the subordination and intercreditor deed dated on or about the Closing Date and made between, *inter alios*, the Obligors, the Borrower Security Trustee and the Note Trustee;

"Subscription Agreement" means the subscription agreement in relation to the Notes dated on or before the Closing Date and made between the Issuer, the Obligors and the Managers;

"Supplemental Issuer Deed of Charge" means any assignation in security made in favour of the Note Trustee pursuant to Clause 4.3 (*Standard Security*) of the Issuer Deed of Charge substantially in the form set out in Schedule 4 (*Form of Supplemental Issuer Deed of Charge*) thereto or any other deed which is expressed to be supplemental to the Issuer Deed of Charge;



"Tax Deed of Covenant" means a deed of covenant dated on or about the Closing Date and made between, *inter alios*, Priory Healthcare Investments Limited (registered number 04433250), the Obligors, the Issuer, the Intermediate Parent, the Note Trustee and the Borrower Security Trustee as such may be amended or supplemented from time to time pursuant to the Tax Deed of Covenant and the Issuer/Borrower Facility Agreement;

"Term A Facility" means an Initial Term A Facility and/or a Further Term A Facility, as the context may require;

"Term Advance" means an advance under the Initial Term Facility, a Further Term Facility and/or an advance made under a New Term Facility;

"Term B Facility" means the Initial Term B Facility and/or a Further Term B Facility, as the context may require;

"Term C Facility" means the Initial Term C Facility and/or a Further Term C Facility, as the context may require;

"Trust Agreement" means a trust agreement dated on or about the Closing Date and made between the Priory Securitisation Group Parent, the other Obligors, the Borrower Security Trustee, Priory Healthcare Investments Limited, the Intermediate Parent and Priory Healthcare Finance Co Limited;

"Working Capital Facility Agreement" means the working capital facility agreement dated on or about the Closing Date and made between the Obligors, the Working Capital Facility Provider, the Account Bank and the Borrower Security Trustee; and

"Working Capital Facility Provider" means:

- (a) The Royal Bank of Scotland plc, acting through its office at 280 Bishopsgate, London EC2M 4RB; and
- (b) any bank or other financial institution which has become a party to the Working Capital Facility Agreement in accordance with Clause 26 (*Assignment*) of the Working Capital Facility Agreement,
- (c) which, in each case, has not ceased to be a party to the Working Capital Facility Agreement in accordance with its terms.



COMPANIES FORM No. 398

Certificate of registration in Scotland or Northern Ireland of a charge comprising property situate there

398

Pursuant to section 398(4) of the Companies Act 1985

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

* Insert full name
of company

To the Registrar of Companies
(Address overleaf)

For official use Company number

1505382

Name of company

* Priory Healthcare Limited (the "Company")

I, We, Dundas & Wilson CS

of Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN

*give date and
parties to charge

certify that the charge* granted by the Company in favour of Citicorp Trustee
Company Limited dated 4 September 2003

† delete as
appropriate

of which a true copy is annexed to this form was presented for registration on 2 October 2003
in [Scotland]~~[Northern Ireland]~~†

Signed

Date 16/10/03

Presentor's name, address and
reference (if any):

Dundas & Wilson CS
20 Castle Terrace
Edinburgh
EH1 2EN

DAC/SJP/RBS001.1288

For official use
Mortgage section

Post room

Notes

The address of the Registrar of Companies is:-
Companies House
Crown Way
Cardiff
CF14 3U2

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 01505382

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A STANDARD SECURITY WHICH WAS PRESENTED FOR REGISTRATION IN SCOTLAND ON 2 OCTOBER 2003 AND DATED THE 4th SEPTEMBER 2003 AND CREATED BY PRIORY HEALTHCARE LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE OBLIGORS TO THE BORROWER SECURITY TRUSTEE (WHETHER FOR ITS OWN ACCOUNT OR AS TRUSTEE FOR THE BORROWER SECURED CREDITORS) OR ANY OF THE OTHER BORROWER SECURED CREDITORS UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 20th OCTOBER 2003.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 22nd OCTOBER 2003.

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THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —