



Registration of a Charge

Company Name: **SPIRE HEALTHCARE PROPERTIES LIMITED**

Company Number: **01829406**



Received for filing in Electronic Format on the: **07/03/2022**

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Details of Charge

Date of creation: **25/02/2022**

Charge code: **0182 9406 0003**

Persons entitled: **NATIONAL WESTMINSTER BANK PLC**

Brief description: **FREEHOLD OF SPIRE MANCHESTER HOSPITAL, 170 BARLOW MOOR ROAD, MANCHESTER, M20 2AF AND LAND ON THE EAST SIDE OF TOLLERTON LANE, TOLLERTON, NOTTINGHAM WITH TITLE NUMBERS MAN249658 AND NT512403, AMONGST OTHERS. FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT.**

Contains fixed 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: **CLIFFORD CHANCE LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1829406

Charge code: 0182 9406 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th February 2022 and created by SPIRE HEALTHCARE PROPERTIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th March 2022 .

Given at Companies House, Cardiff on 9th March 2022

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



Companies House



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

EXECUTION VERSION

DATED 24 February 2022

THE PERSONS LISTED IN SCHEDULE 1
AS CHARGORS

IN FAVOUR OF

NATIONAL WESTMINSTER BANK PLC
AS THE SECURITY AGENT

SECURITY AGREEMENT
RELATING TO
A £425,000,000 FACILITIES AGREEMENT

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THIS AGREEMENT is made by way of deed on 24 February 2022 by:

- (1) **THE PERSONS** listed in Schedule 1 (*Chargors*) (each a "**Chargor**") in favour of:
- (2) **NATIONAL WESTMINSTER BANK PLC** as security trustee for each of the Secured Parties on the terms and conditions set out in the Facilities Agreement (the "**Security Agent**").

RECITALS:

- (A) Further to the Facilities Agreement (as defined below) the Original Lenders have agreed to make certain facilities (the "**Facilities**") available to the Original Borrower(s).
- (B) It is a condition to the Facilities being made available that the Chargors enter into this Agreement.
- (C) It is intended by the parties to this Agreement that this document will take effect as a deed despite the fact that a party may only execute this Agreement under hand.
- (D) The Security Agent is acting under and holds the benefit of the rights conferred upon it in this Agreement on trust for the Secured Parties.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"Acceleration Event" means the giving of notice pursuant to Clause 27.14 (*Acceleration*) of the Facilities Agreement.

"Administration Event" means:

- (a) the presentation of an application to the court for the making of an administration order in relation to any Chargor; or
- (b) the giving of written notice by any person (who is entitled to do so) of its intention to appoint an administrator of a Chargor or the filing of such a notice with the court.

"Deed of Release" means the deed of release in respect of the Existing Security dated on or about the date of this Agreement and made between, among others, HSBC Corporate Trustee Company (UK) Limited as security agent and the chargors listed therein.

"Effective Time" has the meaning given to that term in the Deed of Release.

"Facilities Agreement" means the facilities agreement dated on or about the date of this Agreement between, amongst others, the Company, the Original Borrowers, the Original Guarantors, the Arrangers, National Westminster Bank plc as the Agent and

the Security Agent and the Original Lenders (each as defined in the Facilities Agreement as amended, varied, novated or supplemented from time to time).

"Mortgaged Property" means the freehold and leasehold property specified in Schedule 2 (*Mortgaged Property*).

"Real Property" means (including as provided in Clause 1.5 (*Real Property*)), the Mortgaged Property.

"Receiver" means a receiver, receiver and manager or, where permitted by law, an administrative receiver of the whole or any part of the Security Assets and that term will include any appointee made under a joint or several appointment.

"Related Rights" means, in relation to any asset:

- (a) the proceeds of sale or rental of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, causes of action, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of or derived from that asset; and
- (d) any moneys and proceeds paid or payable in respect of that asset.

"Secured Liabilities" means all obligations owing to the Secured Parties or to the Security Agent (whether for its own account or as trustee for the Secured Parties) by each Chargor under or pursuant to the Finance Documents and the Hedging Agreements including any liability in respect of any further advances made under the Finance Documents and the Hedging Agreements, whether present or future, actual or contingent (and whether incurred by each Chargor alone or jointly, and whether as principal or surety or in some other capacity) except for any obligation or liability which, if it were included, would cause that obligation or liability or any of the Security in respect thereof, to be unlawful or prohibited by any applicable law.

"Secured Party" means each Finance Party from time to time party to the Facilities Agreement and any Receiver or Delegate.

"Security Assets" means each of the assets and undertaking of each Chargor which from time to time are, or are expressed to be, the subject of any Security created or expressed to be created by it in favour of the Security Agent by or pursuant to this Agreement.

"Security Period" means the period beginning on the date of this Agreement and ending on the date on which the Security Agent is satisfied that the Secured Liabilities have been irrevocably and unconditionally paid or discharged in full and no Secured Party is under any further actual or contingent obligation to make advances or provide other financial accommodation to any Chargor or any other person under any of the Finance Documents.

1.2 Terms defined in other Finance Documents

Unless defined in this Agreement, or the context otherwise requires, a term defined in the Facilities Agreement or in any other Finance Document has the same meaning in this Agreement or any notice given under or in connection with this Agreement, as if all references in those defined terms to the Facilities Agreement or other Finance Document were a reference to this Agreement or that notice.

1.3 Construction

In this Agreement:

- (a) Clauses 1.2 (*Construction*) and 1.3 (*Currency symbols and definitions*) of the Facilities Agreement will apply as if incorporated in this Agreement or in any notice given under or in connection with this Agreement, and as if all references in that Clause to the Facilities Agreement were a reference to this Agreement or that notice;
- (b) any reference to the "**Security Agent**" or the "**Chargor**" shall be construed so as to include its or their (and any subsequent) successors in title, permitted assigns and permitted transferees in accordance with their respective interests and, in the case of the Security Agent, any person for the time being appointed as Security Agent in accordance with the Facilities Agreement;
- (c) any reference to "**including**" and "**include**" shall mean including and include "without limitation" and any words following such terms shall be construed as illustrative and shall not limit the meaning or scope of the phrase or words preceding such terms; and
- (d) references in this Agreement to any Clause or Schedule shall be to a Clause or Schedule contained in this Agreement.

1.4 Application of provisions in Facilities Agreement

The provisions of clauses 17 (*Tax gross up and indemnities*), 19 (*Other indemnities*), 37.1 (*Accounts*), 37.2 (*Certificates and determinations*) and 40 (*Amendments and waivers*) of the Facilities Agreement are incorporated into this Agreement as if expressly set out in full in this Agreement, but so that references in those clauses to the Facilities Agreement are references to this Agreement.

1.5 Third party rights

- (a) Unless expressly provided to the contrary in a Finance Document 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 to enjoy the benefit of any term of this Agreement.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.

- (c) Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph (b) above and the provisions of the Third Parties Act.

1.6 Real Property

A reference in this Agreement to a mortgage, assignment or charge of any freehold, leasehold or commonhold property includes all buildings, fixtures and fittings from time to time on or forming part of that property and all Related Rights.

1.7 Present and future assets

A reference in this Agreement to any Mortgaged Property, Security Asset or other asset includes, unless the contrary intention appears, present and future Mortgaged Property, Security Assets and other assets.

1.8 Disposition of Property

The terms of the Facilities Agreement and each other Finance Document and of any side letters between the Parties in relation to the Finance Documents are incorporated into this Agreement and each other Finance Document to the extent required for any purported disposition, or any agreement for this disposition, of any Real Property contained in any Finance Document to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.9 Fixed Security

Clause 4.1 (*Mortgage*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment by way of security over each relevant asset within any particular class of assets defined under this Agreement and the failure to create an effective mortgage, fixed charge or assignment by way of security (whether arising out of this Agreement or any act or omission by any party) on any one asset shall not affect the nature of any mortgage, fixed charge or assignment imposed on any other asset whether within that same class of assets or not.

1.10 No obligation

The Security Agent shall not be under any obligation in relation to the Security Assets as a consequence of this Agreement and each Chargor shall at all times remain liable to perform all obligations expressed to be assumed by it in respect of the Security Assets.

2. COVENANT TO PAY

Each Chargor covenants with the Security Agent (as trustee for the Secured Parties) that it shall, on demand of the Security Agent pay, discharge and satisfy the Secured Liabilities in full in accordance with their respective terms.

3. COMMON PROVISIONS

The Security constituted by or pursuant to this Agreement is:

- (a) created with full title guarantee;

- (b) created in favour of the Security Agent as trustee for the Secured Parties and the Security Agent shall hold the benefit of this Agreement and the Security created by or pursuant to it on trust for the Secured Parties; and
- (c) continuing security for the payment and discharge of all the Secured Liabilities.

4. FIXED SECURITY

With effect from the Effective Time, each Chargor charges:

- (a) by way of first legal mortgage, its Mortgaged Property; and
- (b) (to the extent not validly and effectively charged by way of first legal mortgage pursuant to (a) above), by way of first fixed charge, all of its rights, title and interest from time to time in and to the Real Property and all Related Rights.

5. PROVISIONS AS TO SECURITY AND PERFECTION

5.1 Implied covenants for title

- (a) The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clause 4 (*Fixed Security*).
- (b) It shall be implied in respect of Clause 4 (*Fixed Security*) that each Chargor is disposing of the Security Assets free from all charges and incumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

5.2 Application to HM Land Registry

With effect from the Effective Time, each Chargor hereby consents to an application being made to HM Land Registry to enter the following restriction in the Proprietorship Register of any registered land at any time forming part of the Real Property.

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] 2022 in favour of [] referred to in the charges register or their conveyancer."

5.3 Further advances

- (a) Subject to the terms of the Facilities Agreement, each Lender is under an obligation to make further advances to the Borrowers and that obligation will be deemed to be incorporated in this Agreement as if set out in this Agreement.
- (b) Each Chargor consents to an application being made to HM Land Registry to enter the obligation to make further advances on the Charges Register of any registered land forming part of the Security Assets.

5.4 Consent

- (a) Where the consent of any Chargor is required for the creation of the Security pursuant to this Agreement, such Chargor confirms such consent is given.
- (b) In respect of a Mortgaged Property which is leasehold and the lease requires notice of any charge to be given to the landlord, the relevant Chargor (which is the landlord) confirms that such notice shall be deemed to have been given in relation to the Security created pursuant to this Agreement in accordance with the provisions of the relevant lease.

6. FURTHER ASSURANCE

6.1 Further assurance

- (a) Subject to the Agreed Security Principles, each Chargor shall promptly, at its own cost, take all such action (including making all filings, registrations and notarisations) and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) in favour of the Security Agent or its nominee(s):
 - (i) create, perfect, protect and/or maintain the Security created or intended to be created in respect of the Security Assets in accordance with the rights vested in it under this Agreement (which may include the execution by that Chargor of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, Security Assets) or for the exercise of any of the rights, powers and remedies of the Security Agent provided by or pursuant to this Agreement or by law; and/or
 - (ii) facilitate the realisation of the Security Assets.
- (b) The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in paragraph (a) above.

7. ENFORCEMENT OF SECURITY

7.1 Enforcement

Any time after the occurrence of:

- (a) an Acceleration Event (as long as it is continuing);
- (b) an Administration Event; or
- (c) a request from a Chargor to the Security Agent that it exercise any of its powers under this Agreement,

the Security created by or pursuant to this Agreement is immediately enforceable and the Security Agent may, without notice to any Chargor or prior authorisation from any court, in its absolute discretion:

- (d) enforce all or any part of that Security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Security Assets (at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration)); and
- (e) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Agreement) on mortgagees and by this Agreement on any Receiver or otherwise conferred by law on mortgagees or Receivers.

8. EXTENSION OF POWERS AND RIGHT OF APPROPRIATION

8.1 Extension of powers

The power of sale or other disposal conferred on the Security Agent and on any Receiver by this Agreement shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Agreement.

8.2 Restrictions

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Agreement or to the exercise by the Security Agent of its right to consolidate all or any of the security created by or pursuant to this Agreement with any other security in existence at any time or to its power of sale, which powers may be exercised by the Security Agent without notice to any Chargor on or at any time after this Agreement has become enforceable in accordance with Clause 10 (*Enforcement of Security*).

8.3 Power of leasing

- (a) The statutory powers of leasing may be exercised by the Security Agent at any time on or after this Agreement has become enforceable in accordance with Clause 10 (*Enforcement of Security*) and the Security Agent and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with Sections 99 and 100 of the Law of Property Act 1925.
- (b) For the purposes of Sections 99 and 100 of the Law of Property Act 1925, the expression "Mortgagor" will include any incumbrancer deriving title under any Chargor and neither Sub-section (18) of Section 99 nor Sub-section (12) of Section 100 of the Law of Property Act 1925 will apply.
- (c) No Chargor shall have, at any time during the Security Period, the power pursuant to Section 99 of the Law of Property Act 1925 to make any lease in respect of any Real Property without the prior written consent of the Security

Agent (such consent not to be unreasonably withheld or delayed) or as permitted pursuant to the terms of the Facilities Agreement.

9. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

9.1 Appointment and removal

After the Security created by or pursuant to this Agreement has become enforceable in accordance with Clause 10 (*Enforcement of security*), the Security Agent may by deed or otherwise (acting through an authorised officer of the Security Agent):

- (a) without prior notice to any Chargor:
 - (i) appoint one or more persons to be a Receiver of the whole or any part of the Security Assets; or
 - (ii) appoint two or more Receivers of separate parts of the Security Assets; or
 - (iii) remove (so far as it is lawfully able) any Receiver so appointed; or
 - (iv) appoint another person(s) as an additional or replacement Receiver(s).

9.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 12.1 (*Appointment and removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes deemed to be the agent of each Chargor which shall be solely responsible for the Receiver's acts, defaults and liabilities and for the payment of the Receiver's remuneration and no Receiver shall at any time act as agent for the Security Agent; and
- (c) entitled to remuneration at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

9.3 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Agent under the Law of Property Act 1925 (as extended by this Agreement) or otherwise and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Security Assets.

10. POWERS OF RECEIVERS

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of any Chargor) have and be entitled to exercise, in relation to the Security Assets (and any assets which, when got in, would

be Security Assets in respect of which the Receiver was appointed), and as varied and extended by the provisions of this Agreement (in the name of or on behalf of any Chargor or in the Receiver's own name and, in each case, at the cost of that Chargor):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which any Chargor itself could do or omit to do; and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of any Chargor) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in the Receiver;
 - (ii) the exercise of any rights, powers and remedies of the Security Agent provided by or pursuant to this Agreement or by law (including realisation of all or any part of the assets in respect of which that Receiver was appointed); or
 - (iii) bringing to the Receiver's hands any assets of any Chargor forming part of, or which when got in would be, Security Assets.

11. APPLICATION OF MONEYS

All moneys received or recovered and any non-cash recoveries made or received by the Security Agent or any Receiver pursuant to this Agreement or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment or other discharge of the costs, charges and expenses incurred and payments made by the Receiver, the payment or other discharge of the Receiver's remuneration and the discharge of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of the Receiver's powers, and thereafter shall be applied by the Security Agent (notwithstanding any purported appropriation by any Chargor) in accordance with the terms of the Facilities Agreement.

12. PROTECTION OF PURCHASERS

12.1 Consideration

The receipt of the Security Agent or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Security Assets or making any acquisition, the Security Agent or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as it thinks fit.

12.2 Protection of purchasers

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound to inquire whether the right of the Security Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Security Agent or such Receiver in such dealings.

13. POWER OF ATTORNEY

13.1 Appointment and powers

Each Chargor by way of security irrevocably appoints the Security Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to, following an Event of Default which is continuing, execute, deliver and perfect all documents and do all things which the attorney may consider to be required for:

- (a) carrying out any obligation imposed on any Chargor by this Agreement or any other agreement binding on such Chargor to which the Security Agent is party (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Security Assets and perfecting and/or releasing the security created or intended to be created in respect of the Security Assets); and
- (b) enabling the Security Agent and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Agreement or by law (including, after the occurrence of an Event of Default, the exercise of any right of a legal or beneficial owner of the Security Assets).

13.2 Ratification

Each Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of the attorney's powers.

14. EFFECTIVENESS OF SECURITY

14.1 Continuing security

- (a) The Security created by or pursuant to this Agreement shall remain in full force and effect as a continuing security for the Secured Liabilities unless and until discharged by the Security Agent in writing.
- (b) No part of the Security from time to time intended to be constituted by this Agreement will be considered satisfied or discharged by an intermediate payment, discharge or satisfaction of the whole or any part of the Secured Liabilities.

14.2 Cumulative rights

The Security created by or pursuant to this Agreement shall be cumulative, in addition to and independent of every other Security which the Security Agent or any Secured Party may at any time hold for the Secured Liabilities or any other obligations or any

rights, powers and remedies provided by law and shall operate as an independent security notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other Security. No prior Security held by the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Security Assets shall merge into the Security constituted by this Agreement.

14.3 No prejudice

The Security created by or pursuant to this Agreement shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to each Chargor or any other person, by the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Security Agent holds the security or by any other thing which might otherwise prejudice that Security.

14.4 Remedies and Waivers

No failure on the part of the Security Agent to exercise, nor any delay on its part in exercising, any right, power or remedy under this Agreement, shall operate as a waiver of that right, power or remedy or constitute an election to affirm this Agreement. No election to affirm this Agreement on the part of the Security Agent shall be effective unless it is in writing. The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any provided by law. No single or partial exercise of any right, power or remedy shall preclude any further or other exercise of that or any other right or remedy.

14.5 No liability

None of the Security Agent, its nominee(s) nor any Receiver shall be liable

- (a) to account as a mortgagee or mortgagee in possession; or
- (b) for any loss arising by reason of taking any action permitted by this Agreement or any neglect or default in connection with the Security Assets or taking possession of or realising all or any part of the Security Assets,

except in the case of gross negligence or wilful default upon its part.

14.6 Partial invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Agreement is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

14.7 Waiver of defences

The obligations of, and the Security created by, each Chargor under this Agreement and the rights and remedies provided by this Agreement will not be affected by any act, omission, matter or thing which, but for this Clause 14.7, would reduce, release or prejudice any of its obligations under, or the Security created by, this Agreement and whether or not known to that Chargor or any Secured Party including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor;
- (c) the taking, variation, compromise, exchange, renewal 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;
- (d) 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;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security or of the Secured Liabilities (including, without limitation, any change in the purpose of, any extension of, or any variation or increase in any facility or amount made available under any facility or the addition of any new facility under any Finance Document or other documents);
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security or of the Secured Liabilities; and
- (g) any insolvency or similar proceedings.

14.8 Chargor intent

Without prejudice to the generality of Clause 14.7 (*Waiver of Defences*), each Chargor expressly confirms that it intends that the Security created under this Agreement and the rights and remedies arising thereunder, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the

purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

14.9 Immediate recourse

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

14.10 Deferral of rights

Until the end of the Security Period, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Agreement:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any guarantor of any Obligor's obligations under this Agreement;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Secured Parties under this Agreement or of any other guarantee or Security taken pursuant to, or in connection with, this Agreement by any Secured Party
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under any Finance Document;
- (e) to exercise any right of set-off against any Obligor; or
- (f) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

If any Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to any Secured Party by any Chargor under or in connection with this Agreement to be repaid in full on trust for the Security Agent and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 14 (*Application of Moneys*).

14.11 Indemnity

Each Chargor shall, notwithstanding any release or discharge of all or any part of the Security created by or pursuant to this Agreement, indemnify the Security Agent, its agents, attorneys and any Receiver against any action, proceeding, claims, losses, liabilities and costs which it may sustain as a consequence of any breach by any Chargor of the provisions of this Agreement, the exercise or purported exercise of any of the rights and powers conferred on them by this Agreement or otherwise relating to the Security Assets.

15. PRIOR SECURITY INTERESTS

- (a) In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Security Assets or in case of exercise by the Security Agent or any Receiver of any power of sale under this Agreement, the Security Agent may redeem such prior Security or procure the transfer thereof to itself.
- (b) The Security Agent may settle and agree the accounts of the prior Security and any accounts so settled and agreed will (subject to manifest error) be conclusive and binding on each Chargor.
- (c) All principal moneys, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by each Chargor to the Security Agent on demand together with accrued interest thereon where such interest shall be calculated in accordance with clause 13.4 (*Default interest*) of the Facilities Agreement.

16. SUBSEQUENT SECURITY INTERESTS

If the Security Agent acting in its capacity as trustee or otherwise or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security, assignment or transfer affecting all the Security Assets or any part of the Security Assets which is prohibited by the terms of any Finance Document, all payments thereafter by or on behalf of that Chargor to the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties will (in the absence of any express contrary appropriation by that Chargor) be credited or treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Liabilities at the time that notice was received.

17. SUSPENSE ACCOUNTS

All moneys received, recovered or realised by the Security Agent under this Agreement (including the proceeds of any conversion of currency) may in the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account(s) maintained with a bank, building society, financial institution or other person as it considers appropriate (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Agent's discretion, in or towards the discharge of any of the Secured Liabilities and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

18. RELEASE OF SECURITY

18.1 Release of Security

Upon the expiry of the Security Period, the Security Agent shall, at the request and cost of each Chargor, release and cancel the security constituted by this Agreement, in each case without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

18.2 Clawback

If the Security Agent considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of each Chargor under this Agreement and the Security constituted by that document will continue and such amount will not be considered to have been irrevocably discharged.

19. SET-OFF

Each Chargor authorises the Security Agent (but the Security Agent shall not be obliged to exercise such right), after the occurrence of an Event of Default which is continuing, to set off against the Secured Liabilities any amount or other obligation (contingent or otherwise) owing by the Security Agent to each Chargor and apply any credit balance to which each Chargor is entitled on any account with the Security Agent in accordance with Clause 14 (*Application of Moneys*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

20. DISCRETION AND DELEGATION

20.1 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Agreement by the Security Agent or any Receiver may, subject to the terms and conditions of the Facilities Agreement, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

20.2 Delegation

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Agreement (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Security Agent or the Receiver itself.

21. TRANSFERS

No Chargor may assign or otherwise transfer any of its rights and obligations under this Agreement.

22. SUCCESSORS

22.1 Security Agent successors

This Agreement shall remain in effect despite any amalgamation or merger (however effected) relating to the Security Agent. References to the Security Agent shall include (i) any transferee assignee or successor in title of the Security Agent, (ii) any entity into which the Security Agent is merged or converted or with which it may be consolidated, (iii) any legal entity resulting from any merger, conversion or consolidation to which such Security Agent is a party and (iv) any other person who, under the laws of its

jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Security Agent under this Agreement or to which, under such laws, those rights and obligations have been transferred (such person described in (i) to (iv) being a successor to the Security Agent for all purposes under the Finance Documents).

22.2 Disclosure

The Security Agent shall be entitled to disclose such information concerning any Chargor or any other person and this Agreement as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by applicable law.

23. GOVERNING LAW

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

24. JURISDICTION

24.1 English courts

The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or the consequences of its nullity) or any non-contractual obligations arising out of or in connection with this Agreement (a "**Dispute**").

24.2 Convenient Forum

Each Chargor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly that no Chargor will argue to the contrary.

24.3 Exclusive Jurisdiction

Notwithstanding Clause 24.1 (*English courts*), the Security Agent may take proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Security Agent may take concurrent proceedings in any number of jurisdictions.

THIS AGREEMENT has been executed as, and is intended to take effect as, a deed by each Chargor and has been signed by the Security Agent on the date written on the first page of this Agreement.

**SCHEDULE 1
CHARGORS**

Name	Jurisdiction	Company Number
Classic Hospitals Property Limited	England and Wales	05389607
Spire Healthcare Properties Limited	England and Wales	01829406
Spire Property 18 Limited	England and Wales	06409117
Spire Healthcare Limited	England and Wales	01522532

SCHEDULE 2
MORTGAGED PROPERTY

Chargor Name	Property Name	Tenure	Title Number
Classic Hospitals Property Limited	Land on the North West side of Elland Lane, Elland; and Elland Hospital, Elland Lane, Elland (HX5 9EB).	Freehold	WYK316272, WYK316242
Classic Hospitals Property Limited	Lourdes Hospital, 57 Greenbank Road, Liverpool	Freehold	MS517485
Spire Healthcare Properties Limited	Spire Manchester Hospital, 170 Barlow Moor Road, Manchester (M20 2AF)	Freehold	MAN249658
Classic Hospitals Property Limited	Methley Park Hospital, Methley Lane, Methley, Leeds (LS26 9HG)	Freehold	WYK303836
Spire Healthcare Properties Limited	Land on the East side of Tollerton Lane, Tollerton, Nottingham	Freehold	NT512403
Classic Hospitals Property Limited	Land on the North West of Cumberland Street, Macclesfield	Freehold	CH315904
Spire Property 18 Limited	Spire South Bank Hospital, 139 Bath Road, Worcester (WR5 3AG)	Freehold	HW47577
Spire Healthcare Properties Limited	St. Anthonys Hospital, 801 London Road, Sutton (SM3 9DW)	Freehold	SGL742040

Classic Hospitals Property Limited	Bupa Yale Hospital, Wrexham Technology Park, Wrexham (LL13 7YP)	Freehold	CYM551246
Spire Healthcare Limited	Elland Hospital, Elland Lane, Elland, HX5 9EB	Leasehold	WYK800177
Spire Healthcare Limited	Lourdes Hospital, 57 Greenbank Road, Liverpool	Leasehold	MS526621
Spire Healthcare Limited	Spire Manchester Hospital, 170 Barlow Moor Road, Manchester M20 2AF	Leasehold	MAN339774
Spire Healthcare Limited	Spire Methley Park Hospital, Methley Lane, Methley, Leeds, LS26 9HG	Leasehold	WYK800176
Spire Healthcare Limited	land on the east side of Tollerton Lane, Tollerton, Nottingham	Leasehold	NT535274
Spire Healthcare Limited	The Regency Hospital, Cumberland Street, Macclesfield, SK11 8DW	Leasehold	CH539746
Spire Healthcare Limited	Spire South Bank Hospital, 139 Bath Road, Worcester, WR5 3YB	Leasehold	WR115328
Spire Healthcare Limited	St. Anthonys Hospital, 801 London Road, Sutton, SM3 9DW	Leasehold	SGL777993
Classic Hospitals Property Limited	Bupa Yale Hospital, Wrexham Technology Park, Wrexham, LL13 7YP	Leasehold	WA510296
Spire Healthcare Limited	Bupa Yale Hospital, Wrexham Technology Park, Wrexham LL13 7YP	Leasehold	CYM247649

EXECUTION PAGE

The Chargors


EXECUTED AS A DEED

by

**CLASSIC HOSPITALS PROPERTY
LIMITED**

acting by a director in the presence of:

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P. CORFIELD
.....

Signature of director

Name of director

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.....
KEVIN MCGURK
.....

Signature of witness

Name of witness (in BLOCK
CAPITALS)

EXECUTED AS A DEED

by

**SPIRE HEALTHCARE PROPERTIES
LIMITED**

acting by a director in the presence of:

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.....
P. CORFIELLO
.....

Signature of director

Name of director


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KEVIN MCGHEE
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Signature of witness

Name of witness (in BLOCK
CAPITALS)

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Signature of director

Signature of witness

KEVIN MCFURK

EXECUTED AS A DEED

by

SPIRE HEALTHCARE LIMITED

acting by a director in the presence of:

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)

[Redacted Signature]

Signature of director

[Handwritten Signature]

JUSTIN ASH

Name of director

[Redacted Signature]

Signature of witness

KEVIN J MCGURK

Name of witness (in BLOCK
CAPITALS)

The Security Agent

For and on behalf of

NATIONAL WESTMINSTER BANK PLC

By:



Name:

Lee Donnithorne

Title:

Director

Witness:



LINDSEY DONNITHORNE

