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COMPANIES FORM No. 395

Particulars of a mortgage or charge

Ans
60

395

CHFP025

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

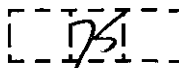
* insert full name
of Company

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number



01946682

Name of company

* *WESTMINSTER HEALTH CARE LIMITED (the "Initial Borrower")

Date of creation of the charge

5th November, 1999

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

WHC Debenture dated 5th November, 1999 between the Initial Borrower, the Parent, the Issuer, the Close Care Landlords, the Working Capital Facility Provider, the WHC Account Bank, the Subordinated Creditor, the Security Trustee (each as defined below) and SPV Management Limited (the "WHC Debenture").

Amount secured by the mortgage or charge

All moneys and liabilities whatsoever which on 5th November, 1999 or at any time thereafter may (whether before or after demand) become due, owing and payable to the Security Trustee (whether for its own account or as trustee for the WHC Secured Creditors) or any of the other WHC Secured Creditors by the Obligors actually or contingently under the Transaction Documents covenanted and undertaken to be paid and discharged by the Obligors, on a joint and several basis, to the Security Trustee under the WHC Debenture, subject to the provisions of the Transaction Documents (the "WHC Secured Amounts").

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

PRUDENTIAL TRUSTEE COMPANY LIMITED (the "Security Trustee"), 142 Holborn Bars, London

Postcode

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

Lucy Clarke
Allen & Overy
One New Change
London
EC4M 9QQ

ICM:387837

Time critical reference

For official Use
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

SEE ATTACHED SCHEDULE

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

Particulars as to commission allowance or discount (note 3)

Nil

Signed Allen X Overy

Date 24. 11. 99

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

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

† 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

Schedule

Short particulars of all the property mortgaged or charged (continued)

1. A charge, by way of first fixed security, subject to paragraph 14 below, in relation to paragraph 1(a), by way of first legal mortgage and, in relation to paragraph 1(b), by way of first fixed security of all of the Initial Borrower's right, title, interest and benefit present and future in and to:
 - (a) the freehold or leasehold property comprising the WHC Mortgaged Properties owned by it and described in **Part I of Schedule 1** to the WHC Debenture, excluding the Scottish Properties (and excluding for the avoidance of doubt those properties referred to in paragraph 1(b) below); and
 - (b) all estates or interests (excluding those interests, the details of which are set out in **Schedule 6** to the WHC Debenture) in any other freehold or leasehold property in England and Wales (except as specified in paragraph 1(a) above) now or hereafter belonging to it,in each case TO HOLD the same unto the Security Trustee absolutely.
2. A mortgage, by way of first fixed security, subject to paragraph 14 below, of all of the Initial Borrower's right, title, interest and benefit, present and future, in and to all shares, stocks, debentures and other securities of any subsidiaries owned by it and/or any nominee on its behalf as at 5th November, 1999 or at a future date from time to time and all its rights, title, interest and benefit in, and options to acquire, securities for the time being owned by it and/or any nominee on its behalf as at 5th November, 1999 or at a future date and all dividends, and interest paid or payable in relation thereto and all shares, securities, rights, money or property accruing or offered at any time in relation to such shares or other securities by way of redemption, substitution, exchange, bonus or preference in respect of or incidental or ancillary thereto, TO HOLD the same unto the Security Trustee absolutely.
3. An assignment, by way of first fixed security, subject to paragraph 14 below, of all of the Initial Borrower's right, title and interest in, to and under the:
 - (a) the Subordinated Debt Agreement;
 - (b) the Working Capital Facility Agreement;
 - (c) the Reserve Loan Agreement;
 - (d) the Tax Deed of Covenant;
 - (e) the Close Care Services Agreements;
 - (f) the WHC Bank Account Agreement; and

(g) the Financial Advisory and Asset Administration Agreement,

including all rights to receive payment of any amounts which may become payable to it thereunder and all payments received by it thereunder including, without limitation, all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain relief in respect thereof, TO HOLD the same unto the Security Trustee absolutely.

4. An assignment, by way of first fixed security, subject to paragraph 14 below, of:

(a) all of the Initial Borrower's right, title, interest and benefit, present and future, in, to and under the Insurance Policies; and

(b) subject to **Clause 16.1(c)** of the Issuer/Borrower Facility Agreement, all rights and claims to which the Initial Borrower is or may hereafter become entitled in relation to the proceeds of such Insurance Policies to the extent that such proceeds arise from insurance against any loss relating to a WHC Mortgaged Property or a Permitted Business,

in each case TO HOLD the same unto the Security Trustee absolutely.

5. A charge, by way of first fixed security, subject to paragraph 14 below, all of the Initial Borrower's right, title, interest and benefit, present and future, in and to all of the Initial Borrower's Intellectual Property rights, including the names "Westminster Health Care" and "Beaumont" and any logo including or associated with these words and all fees, royalties and other rights derived therefrom or incidental thereto TO HOLD the same unto the Security Trustee absolutely.

6. A charge, by way of first fixed security, subject to paragraph 14 below, all of the Initial Borrower's right, title, interest and benefit, present and future, in and to all rights and claims it, as at the 5th November, 1999, has or may thereafter become entitled to in relation to the property referred to in paragraph 1, 11 and 13 including those against any manufacturer, supplier, or installer of such property, any builder, contractor or professional adviser engaged in relation to any such property and any lessee, sub-lessee or licensee of any such property and any obligor or surety for the obligations of such person and, to the extent that such property is now or at any time hereafter hired, leased or rented to any other person, the rights under the hiring, leasing or rental contract and any guarantee, indemnity or security for the performance of the obligations of such person and any other rights and benefits relating thereto (together, the "**Ancillary Property Rights**"), TO HOLD the same unto the Security Trustee absolutely.

7. A charge by way of first fixed security subject to paragraph 14 below and Clause 8 of the WHC Debenture, of all of the Initial Borrower's right, title, interest and benefit, present and future, in and to all book debts (including,

without limitation, all receivables payable under the Care Contracts) and other debts (but excluding for these purposes any book debts and other debts governed by the law of Scotland), rents and all other moneys and liabilities whatsoever for the time being due, owing or payable to it (including the benefit of any judgment, order or decree to pay a sum of money), the proceeds of the same and the benefit of any guarantee, Encumbrance and securities for the time being held by it in respect of any such debts or moneys and all bills of exchange, promissory notes and negotiable instruments of any description at any time owned or held by it (together, the "**Book Debts**"), TO HOLD the same unto the Security Trustee absolutely.

8. A charge, by way of first fixed security, subject to paragraph 14 below, of all of the Initial Borrower's right, title, interest and benefit, present and future, in and to all moneys now or at any time hereafter standing to the credit of:

- (a) the Borrower Escrow Account;
- (b) the Collection Accounts;
- (c) the Cash Reserve Account;
- (d) the Interim Payment Account;
- (e) the Additional Reserve Account; and
- (f) the Operating Accounts,

and the debts represented by them together with all rights relating or attached thereto (including the right to interest), TO HOLD the same unto the Security Trustee absolutely.

9. A charge, by way of first fixed security, subject to paragraph 14 below, all of the Initial Borrower's right, title, interest and benefit, present and future, in and to all statutory licences, consents and authorisations, present and future, held in connection with its business or the use of any asset or property the subject of any security created by the WHC Debenture and the right to recover and receive all compensation which may be payable to it in respect of them, TO HOLD the same unto the Security Trustee absolutely.

10. A charge, by way of first fixed security, subject to paragraph 14, of all of the Initial Borrower's right, title, interest and benefit, present and future, in and to all Eligible Investments purchased using moneys standing to the credit of:

- (a) the Borrower Escrow Account;
- (b) the Collection Accounts;
- (c) the Cash Reserve Account;
- (d) the Interim Payment Account;
- (e) the Additional Reserve Account; or

(f) the Operating Accounts,

for the time being owned by it and all rights in respect of or incidental or ancillary thereto, TO HOLD the same unto the Security Trustee absolutely.

11. A charge, by way of first floating security, subject to paragraph 14, the whole of the Initial Borrower's undertaking and all its property, assets and rights, whatsoever and wheresoever, both present and future (including, but not limited to, all stock in trade and all freehold, heritable and leasehold property) other than any property or assets from time to time or for the time being the subject of fixed charges pursuant to paragraphs 1 to 10 (inclusive) or otherwise effectively assigned by way of security (but declaring that the foregoing exclusion shall not extend to any part of its undertaking and assets, present and future, situated in Scotland, or the rights to which are governed by the laws of Scotland, all of which undertaking, rights and assets are charged by the floating charge created by this paragraph).
12. Save for Permitted Encumbrances and as disclosed in the Certificates of Title and for other immaterial adverse interests, each of the dispositions of or charges over property effected in or pursuant to paragraphs 1 to 11 above (inclusive) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 and, in relation to assets situated in or governed by the laws of Scotland, absolute warrandice.
13. To the extent that the assignment and/or charges created pursuant to paragraphs 6, 7 and 9 would breach a prohibition or restriction on assignment of any assets or property by reason of any lack of consent of any third party, such charges shall in the case of paragraphs 6, 7 and 9 above take effect as floating charges over the relevant assets.
14. On the irrevocable and unconditional payment or discharge by each Obligor (or any combination of the foregoing) of all the WHC Secured Amounts, the Security Trustee shall at the request and cost of the relevant Obligor release, reassign or discharge all the relevant WHC Charged Property to, or to the order of, the relevant Obligor.

On:

- (a) the making at any time by a Borrower of a Permitted Disposal pursuant to the Issuer/Borrower Facility Agreement; or
- (b) the making at any time by a Borrower of a disposal of any Eligible Investment charged pursuant to paragraph 10 above; or
- (c) the making at any time by a Borrower or a Guarantor of any other disposal or the withdrawal of funds from any account permitted by any of the Transaction Documents,

the Security Trustee shall, if so requested by and at the sole cost and expense (on an indemnity basis) of the relevant Obligor, but without being responsible for any loss, costs, claims or liabilities whatsoever occasioned by so acting upon such request, release, reassign or discharge from the WHC Security:

- (i) the relevant assets or property which are the subject of the Permitted Disposal; or
- (ii) the relevant Eligible Investment, provided that the proceeds of such disposal are paid by the relevant Obligor into:
 - (A) the Escrow Accounts;
 - (B) the Collection Accounts;
 - (C) the Cash Reserve Account;
 - (D) the Interim Payment Account;
 - (E) the Additional Reserve Account; or
 - (F) the Operating Accounts,

as applicable, from which the moneys used to acquire such Eligible Investment were originally withdrawn,

and, in all cases, subject to and in accordance with the provisions of the Issuer/Borrower Facility Agreement and the WHC Debenture.

Notes

Each Obligor jointly and severally undertakes to each of the WHC Secured Creditors (including the Security Trustee) and each other that unless and until all amounts payable pursuant to the WHC Borrower Facility Agreements have been satisfied in full, it shall not:

- (a) take any steps or pursue any action whatsoever for the purpose of recovering any debts due or owing to it by any other Obligor or the Issuer, as the case may be; or
- (b) petition or procure the petitioning for the winding-up or administration of any Obligor or the Issuer or the appointment of an administrative receiver in respect of any Obligor or the Issuer.

For the purposes of this form 395:

"1925 Act" means the Law of Property Act 1925;

"Accession Agreement" means an accession agreement substantially in the form set out in **Schedule 6** to the Issuer/Borrower Facility Agreement and containing or attaching such conditions precedent specified in such accession agreement, duly executed and unconditionally delivered to the Security Trustee by the parties thereto pursuant to **Clause 5.9** of the Issuer/Borrower Facility Agreement;

"Accounting Principles" means the accounting principles, standards, conventions and practices, from time to time and at any time generally accepted in the United Kingdom

and which have been approved by the Accounting Standards Board, and which implement the requirements of the Companies Act 1985 (as amended by the Companies Act 1989) and of any other legislation or regulation, compliance with which is required by law in connection with the preparation of accounts by companies incorporated with limited liability, or compliance with which is generally adopted and practised by such companies in the United Kingdom in effect from time to time, consistently applied;

"Acquiring Obligor" has the meaning ascribed thereto in **Clause 5.2** of the Issuer/Borrower Facility Agreement;

"Acquisition Date" means the date of completion of the acquisition of a Permitted Business;

"Additional Borrower" has the meaning ascribed thereto in **Clause 5.10** of the Issuer/Borrower Facility Agreement;

"Additional Percentage" means:

- (a) in relation to the Liquidity Facility Agreement, the rate contained in **Schedule 3** to such agreement; (b) in relation to the Working Capital Facility Agreement, the rate contained in **Schedule 2** to such agreement; and
- (b) in relation to the Reserve Loan Agreement, the rate contained in the **Schedule** to such agreement;

"Additional Guarantor" has the meaning ascribed thereto in **Clause 5.10** of the Issuer/Borrower Facility Agreement;

"Additional Reserve Account" means the account of the Initial Borrower (number 50323462/sort code 20-25-29) held at the WHC Account Bank having the name "Westminster Health Care Limited Additional Reserve Account" (or any other account in the name of the Initial Borrower subsequently opened to replace such first-mentioned account);

"Agency Agreement" means the agreement dated the Closing Date between the Issuer, the Principal Paying Agent, the Luxembourg Paying Agent, the Agent Bank and the Security Trustee;

"Agent Bank" means Barclays Bank PLC acting through its office at 8 Angel Court, Throgmorton Street, London EC2R 7HT or such person or persons from time to time appointed as agent bank, subject to and in accordance with the terms of the Agency Agreement;

"Agents" has the meaning ascribed thereto in the Agency Agreement;

"Aggregate Disposal Value" means the aggregate of the values as at the Closing Date (or, in respect of a later-acquired property, its acquisition value) of all WHC Mortgaged Properties (or parts thereof) which as at that time have been disposed of in reliance on **Clause 16.5(c)(iv)** or **(v)** of the Issuer/Borrower Facility Agreement;

"Aggregate Release Limit" means an amount equal to 10 per cent. (or such higher percentage as the Borrower(s) may agree from time to time with the Rating Agencies)

of the Closing Date Valuation;

"Amortisation Amount" has the meaning ascribed thereto in **Condition 5(b)**;

"Amortisation Date" means each date set out in **Column A** of **Schedule 2** to the Issuer/Borrower Facility Agreement from and including the Loan Interest Payment Date falling in July 2004, or any of them;

"Ancillary Property Rights" has the meaning ascribed thereto in **Clause 4.6** of the WHC Debenture;

"Asset Administrator" means Deloitte & Touche of Stonecutter Court, London EC4A 4TR or such other person as is appointed to act as such pursuant to the Financial Advisory and Asset Administration Agreement;

"Audited Financial Statements" means the most recent audited financial statements of the Parent delivered pursuant to **Clause 14.2(a)** of the Issuer/Borrower Facility Agreement and, as at the Closing Date, includes the audited consolidated financial statements of WHC Group Limited for the year ended 31st May, 1998;

"Auditors" means KPMG Audit Plc or such other company or firm of auditors of international repute approved by the Security Trustee from time to time;

"Authorised Signatory" means, in relation to any Obligor and any communication to be made, or any document to be executed or certified by it, at any time, any person:

- (a) who is duly authorised at such time, in such manner as may be reasonably acceptable to the Security Trustee, to make such communication, or to execute or certify such document, on its behalf; and
- (b) in respect of whom the Security Trustee has received a certificate signed by a director or any other authorised officer of it, or by another of its Authorised Signatories, setting out the name and, where such person is authorised to execute or certify documents, signature of such person, and confirming such person's authority to act as aforesaid;

"Available Cash Balances" means the aggregate of all credit balances on accounts of the Obligors held with the WHC Account Bank which the WHC Account Bank is satisfied, acting reasonably, are freely available to be set-off against all liabilities owed to the WHC Account Bank by the Obligors under the Overdraft Facility and which comply with all requirements of the Bank of England and the Financial Services Authority (or any successor to the Bank of England or the Financial Services Authority that carries out the Bank of England's or the Financial Services Authority's (as the case may be) current duties in relation to supervision of banks and financial institutions in the United Kingdom) to enable such balances to be taken into account by the WHC Account Bank in operating facilities on a net basis;

"Available Interest Credit" means an amount equal to the greater of:

- (a) zero; and
- (b) (i) the aggregate amount of interest earned by the Obligors (excluding, for the avoidance of doubt, any interest accrued but not received on

loans made by an Obligor to another Westminster Securitisation Group Entities and/or to Excluded Group Entities) during the Relevant Period, less

- (ii) (except where the DSCR is being calculated in relation to a Further Issue or in relation to the Restricted Payment Condition) an amount equal to the aggregate amount of Restricted Payments during the Relevant Period;

"Basic Terms Modification" has the meaning ascribed thereto in **Condition 11(g)**;

"Book Debts" has the meaning ascribed thereto in **Clause 4.7** of the WHC Debenture;

"Borrower Accession Agreement" means a letter in the form of **Schedule 5** to the Working Capital Facility Agreement with such amendments as the Working Capital Facility Provider may approve or reasonably require;

"Borrower Accounts" means the Operating Accounts, the Collection Accounts, the Cash Reserve Account, the Additional Reserve Account, the Interim Payment Account and the Borrower Escrow Account;

"Borrower Escrow Account" means the account (number 30626562/sort code 20-25-29) of the Initial Borrower held at the WHC Account Bank, having the name "Westminster Health Care Limited - Escrow Account" (or any other account in the name of the Initial Borrower subsequently opened to replace such first-mentioned account);

"Borrowers" means the Initial Borrower and any Additional Borrower and **"Borrower"** means any one of them;

"business day" or **"Business Day"** shall, unless the context otherwise requires, be construed as a reference to a day (other than a Saturday or Sunday) on which banks are generally open for business in London and, in respect of payments in respect of the Notes, Luxembourg;

"Business Interruption Insurance Claim" has the meaning ascribed thereto in **Clause 16.1(c)(viii)** of the Issuer/Borrower Facility Agreement;

"Calculation Date" means the date falling five Business Days before each Interest Payment Date;

"Care Contracts" means the contracts entered into from time to time by the Obligors with local authorities, Health Authorities, the Department of Social Security or with private residents (or a combination of them) for the provision of residential and nursing care services to the residents of a Care Home and **"Care Contract"** means any of them;

"Care Home" means a nursing home or a residential home providing medical or social care which is required to be registered pursuant to the Relevant Act;

"Care Income" means income generated by the provision by the Initial Borrower of nursing and residential care services to residents of its Care Homes and the provision of care services at the Close Care Units to the Close Care Tenants;

"Cash Collateralisation Payment Date" has the meaning ascribed thereto in **Clause 17.2** of the Issuer/Borrower Facility Agreement;

"Cash Reserve Account" means the account of the Initial Borrower (number 30405868/sort code 20-25-29) held at the WHC Account Bank designated "Westminster Health Care Limited - Cash Reserve Account" (or any other account in the name of the Initial Borrower subsequently opened to replace such first mentioned account);

"CC Charged Property" means the property, assets and rights of the Close Care Landlords that are subject to the security interests created by each of the Close Care Landlords pursuant to **Clause 3** of the WHC Debenture and/or WHC Standard Securities;

"CC Escrow Accounts" means the following accounts of each Close Care Landlord held at the WHC Account Bank each designated as indicated

<i>Close Care Landlord (and account designation)</i>	<i>Account No.</i>	<i>Sort Code</i>
Westminster Beaumont Properties (Southgate) Limited - Escrow Account	30421162	20-25-29
Westminster Beaumont Properties Limited - Escrow Account	00758965	20-25-29
Westminster Beaumont Properties (Edgbaston) Limited - Escrow Account	50664162	20-25-29
Westminster Beaumont Properties (Chorleywood) Limited - Escrow Account	30849065	20-25-29

(or any other account in the name of the respective Close Care Landlords subsequently opened to replace any such first-mentioned account);

"Certificate of Registration" means a certificate of registration in relation to a Care Home granted by a local social services authority or a Health Authority pursuant to the Relevant Act;

"Certificates of Title" means the certificates of title in relation to the WHC Mortgaged Properties prepared by:

- (a) Messrs. Nabarro Nathanson dated the Closing Date (in respect of the English Properties); and
- (b) Messrs. Biggart Baillie dated the Closing Date (in respect of the Scottish Properties);

"Certified Copy" means, in relation to any document, a copy of such document bearing substantially the endorsement "Certified a true, complete and accurate copy of the original, which has not been amended" and **"Certified Copies"** shall be construed accordingly;

"Change in Law" means any introduction, change in or removal of any applicable

law, regulation, practice, concession or regulatory requirement (whether or not having the force of law) of any relevant governmental regulatory, monetary or fiscal authority;

"**Claims**" means the book and other debts and monetary claims referred to in **Clause 4.7** of the WHC Debenture;

"**Class A Couponholders**" means the several persons who are for the time being the holders of the Class A Coupons;

"**Class A Coupons**" means in respect of the Class A Notes, the bearer interest coupons in or substantially in the form set out in **Part B** of the **Second Schedule** to the Trust Deed, appertaining to the Definitive Class A Notes and includes, where applicable, the Talon(s) appertaining thereto and any replacements for Coupons and Talons issued pursuant to **Condition 13**;

"**Class A Enforcement Notice**" has the meaning ascribed thereto in **Condition 9**;

"**Class A Global Notes**" means, as the context requires, the Class A Temporary Global Note and/or the Class A Permanent Global Note;

"**Class A Noteholders**" means the several persons who are for the time being holders of the Class A Notes (being, if and to the extent that the Class A Notes are represented by the Definitive Class A Notes, the bearers thereof and, if and to the extent that the Class A Notes are represented by the Class A Global Notes, the persons for the time being shown in the records of Euroclear and Cedelbank (other than Cedelbank if Cedelbank shall be an account holder of Euroclear and other than Euroclear if Euroclear shall be an account holder of Cedelbank) as being holders of the Class A Notes) in which regard any certificate or other document issued by Cedelbank or Euroclear as to the Principal Amount Outstanding of Class A Notes standing to the account of any person shall be conclusive and binding for all purposes (other than for the purposes of payments in respect thereof the right to which shall be vested, as against the Issuer, the Note Trustee and the Security Trustee, solely in the bearer of the Class A Global Notes in accordance with and subject to their respective terms and the terms of the Trust Deed)) and the words "**holder**" and "**holders of Class A Notes**" shall (where appropriate) be construed accordingly;

"**Class A Notes**" means the Original Class A Notes and any Further Class A Notes or, as the context may require, any combination of the same and references to the Class A Notes shall, except where the context otherwise requires, include the Conditions applicable thereto;

"**Class A Permanent Global Note**" means a permanent global note to be issued by the Issuer pursuant to **Clause 3** of the Trust Deed representing the Class A Notes, substantially in the form of **Part B** of the **First Schedule** to the Trust Deed;

"**Class A Temporary Global Note**" means a temporary global note to be issued by the Issuer pursuant to **Clause 3** of the Trust Deed representing the Class A Notes, substantially in the form of **Part A** of the **First Schedule** to the Trust Deed;

"**Class B Couponholders**" means the several persons who are for the time being the holders of the Class B Coupons;

"**Class B Coupons**" means in respect of the Class B Notes, the bearer interest coupons

in or substantially in the form set out in **Part B** of the **Third Schedule** to the Trust Deed, appertaining to the Definitive Class B Notes and includes, where applicable, the Talon(s) appertaining thereto and any replacements for Coupons and Talons issued pursuant to **Condition 13**;

"**Class B Enforcement Notice**" has the meaning ascribed thereto in **Condition 9**;

"**Class B Global Notes**" means as the context requires, the Class B Temporary Global Note and/or the Class B Permanent Global Note;

"**Class B Noteholders**" means the several persons who are for the time being holders of the Class B Notes (being, if and to the extent that the Class B Notes are represented by the Definitive Class B Notes, the bearers thereof and, if and to the extent that the Class B Notes are represented by the Class B Global Notes, the persons for the time being shown in the records of Euroclear and Cedelbank (other than Cedelbank if Cedelbank shall be an account holder of Euroclear and other than Euroclear if Euroclear shall be an account holder of Cedelbank) as being holders of the Class B Notes) in which regard any certificate or other document issued by Cedelbank or Euroclear as to the Principal Amount Outstanding of Class B Notes standing to the account of any person shall be conclusive and binding for all purposes (other than for the purposes of payments in respect thereof the right to which shall be vested, as against the Issuer, the Note Trustee and the Security Trustee, solely in the bearer of the Class B Global Notes in accordance with and subject to their respective terms and the terms of the Trust Deed)) and the words "**holder**" and "**holders of Class B Notes**" shall (where appropriate) be construed accordingly;

"**Class B Notes**" means the Original Class B Notes and any Further Class B Notes or, as the context may require, any combination of the same and references to the Class B Notes shall, except where the context otherwise requires, include the Conditions applicable thereto;

"**Class B Permanent Global Note**" means a permanent global note to be issued by the Issuer pursuant to **Clause 3** of the Trust Deed representing the Class B Notes, substantially in the form of **Part D** of the **First Schedule** to the Trust Deed;

"**Class B Temporary Global Note**" means a temporary global note to be issued by the Issuer pursuant to **Clause 3** of the Trust Deed representing the Class B Notes, substantially in the form of **Part C** of the **First Schedule** to the Trust Deed;

"**Class C Couponholders**" means the several persons who are for the time being the holders of the Class C Coupons;

"**Class C Coupons**" means in respect of the Class C Notes, the bearer interest coupons in or substantially in the form set out in **Part B** of the **Fourth Schedule** to the Trust Deed, appertaining to the Definitive Class C Notes and includes, where applicable, the Talon(s) appertaining thereto and any replacements for Coupons and Talons issued pursuant to **Condition 13**;

"**Class C Enforcement Notice**" has the meaning ascribed thereto in **Condition 9**;

"**Class C Global Notes**" means, as the context requires, the Class C Temporary Global Note and/or the Class C Permanent Global Note;

"Class C Noteholders" means the several persons who are for the time being holders of the Class C Notes (being, if and to the extent that the Class C Notes are represented by the Definitive Class C Notes, the bearers thereof and, if and to the extent that the Class C Notes are represented by the Class C Global Notes, the persons for the time being shown in the records of Euroclear and Cedelbank (other than Cedelbank if Cedelbank shall be an account holder of Euroclear and other than Euroclear if Euroclear shall be an account holder of Cedelbank) as being holders of the Class C Notes) in which regard any certificate or other document issued by Cedelbank or Euroclear as to the Principal Amount Outstanding of Class C Notes standing to the account of any person shall be conclusive and binding for all purposes (other than for the purposes of payments in respect thereof the right to which shall be vested, as against the Issuer, the Note Trustee and the Security Trustee, solely in the bearer of the Class C Global Notes in accordance with and subject to their respective terms and the terms of the Trust Deed)) and the words **"holder"** and **"holders of Class C Notes"** shall (where appropriate) be construed accordingly;

"Class C Notes" means the Original Class C Notes and any Further Class C Notes or, as the context may require, any combination of the same and references to the Class C Notes shall, except where the context otherwise requires, include the Conditions applicable thereto;

"Class C Permanent Global Note" means a permanent global note to be issued by the Issuer pursuant to **Clause 3** of the Trust Deed representing the Class C Notes, substantially in the form of **Part F** of the **First Schedule** to the Trust Deed;

"Class C Temporary Global Note" means a temporary global note to be issued by the Issuer pursuant to **Clause 3** of the Trust Deed representing the Class C Notes, substantially in the form of **Part E** of the **First Schedule** to the Trust Deed;

"Clearance Application" means the application dated 31st August, 1999 made under s.138 of the Taxation of Chargeable Gains Act 1992 for clearance from HM Inland Revenue in respect of certain reorganisational steps take in connection with, *inter alia*, the transactions effected by the Transaction Documents which are or will be, as at the Closing Date, the subject of an appeal against refusal thereof and **"Clearance Application Appeal"** means such an appeal;

"Close Care Landlords" means Westminster Beaumont Properties (Southgate) Limited, Westminster Beaumont Properties Limited, Westminster Beaumont Properties (Edgbaston) Limited and Westminster Beaumont Properties (Chorleywood) Limited and **"Close Care Landlord"** means any one of them;

"Close Care Leases" means the leases granted by the Close Care Landlords to the Close Care Tenants;

"Close Care Service Agreements" means the agreements dated the Closing Date between each of the Close Care Landlords, respectively, and the Initial Borrower pursuant to which the Initial Borrower agrees to provide nursing and residential care services to the Close Care Tenants in accordance with the terms of the obligations of the Close Care Landlords to such tenants under the terms of the relevant Close Care Leases;

"Close Care Tenants" means the tenants of the Close Care Units from time to time

and "**Close Care Tenant**" shall mean any one of them;

"**Close Care Unit**" means apartments or bungalows located in or near a Care Home and owned by a Close Care Landlord;

"**Closing Date**" means 5th November, 1999 or such later date as may be agreed by the Initial Borrower, the Issuer, the Note Trustee, the Security Trustee and the Lead Manager (on behalf of the Managers);

"**Closing Date Valuation**" means the values ascribed to each of the WHC Mortgaged Properties as at 17th September, 1999 as set out in the Valuation Report;

"**Collection Accounts**" means the bank accounts of the Initial Borrower held with the WHC Account Bank (or any other account subsequently opened to replace any such account) as set forth in **Schedule 1** to the WHC Bank Account Agreement; and

"**Collection Account**" means any one of them;

"**Common Depositary**" means Barclays Bank PLC acting through its office at 8 Angel Court, Throgmorton Street, London EC2R 7HT;

"**Conditions**" means, in relation to the Original Notes, the terms and conditions applicable to the Original Notes in the form set out in the **Fifth Schedule** to the Trust Deed and, in relation to any Further Notes, the terms and conditions applicable thereto in the form set out or referred to in the supplemental deed relating thereto, as any of the same may from time to time be altered in accordance with the provisions of the Trust Deed and any reference in the Trust Deed to a particular numbered "**Condition**" shall be construed accordingly; reference to any particular numbered Condition shall be construed, in relation to any Further Notes, as a reference to the provision (if any) in the Conditions thereof which corresponds to that particular Condition in the Original Notes;

"**Contracts Report**" means the report prepared by Freshfields and dated the Closing Date with respect to the Care Contracts with Health Authorities and similar entities;

"**Convention**" means the Modified Following Business Day Convention as defined in the 1991 ISDA Definitions;

"**Corporation Tax**" means corporation tax chargeable in accordance with the provisions of the Income and Corporation Taxes Act 1988, as amended or supplemented by subsequent Finance Acts;

"**Couponholders**" means the several persons who are for the time being the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons;

"**Coupons**" means the Class A Coupons, the Class B Coupons, the Class C Coupons and any further coupons appertaining to any Further Notes or New Notes that may from time to time be issued and, in each case, for the time being outstanding or, as the context may require, a specific number thereof, and includes any replacement Coupons issued pursuant to **Condition 13**;

"**Dangerous Substance**" means any radioactive emissions and any solid, liquid or gaseous matter which is dangerous or toxic to living things or which damages the

Environment;

"DCR" means Duff & Phelps Credit Rating Co. and any successor to its ratings business;

"Debt Service" means, in respect of any Relevant Period an amount equal to the aggregate of all Interest Charges and principal repayments (other than principal repayments or overdraft reduction available for reborrowing under the Working Capital Facility Agreement) which accrue or accrued during such Relevant Period pursuant to the Issuer/Borrower Facility Agreement, the Working Capital Facility Agreement and the Reserve Loan Agreement;

"Debt Service Cover Ratio" or "DSCR" means the ratio of EBITDA to Debt Service calculated in accordance with **Clause 15.2** of the Issuer/Borrower Facility Agreement;

"Definitive Class A Notes" means the bearer notes in definitive form which may be issued in respect of the Class A Notes pursuant to, and in the circumstances specified in, **Clause 3** of the Trust Deed and includes any replacements for Definitive Class A Notes issued pursuant to **Condition 13** and are issued substantially in the form described in the Trust Deed and as set out in **Part A** of the **Second Schedule** to the Trust Deed;

"Definitive Class B Notes" means the bearer notes in definitive form which may be issued in respect of the Class B Notes pursuant to, and in the circumstances specified in, **Clause 3** of the Trust Deed and includes any replacements for Definitive Class B Notes issued pursuant to **Condition 13** and are issued substantially in the form described in the Trust Deed and as set out in **Part A** of the **Third Schedule** to the Trust Deed;

"Definitive Class C Notes" means the bearer notes in definitive form which may be issued in respect of the Class C Notes pursuant to, and in the circumstances specified in, **Clause 3** of the Trust Deed and includes any replacements for Definitive Class C Notes issued pursuant to **Condition 13** and are issued substantially in the form described in the Trust Deed and as set out in **Part A** of the **Fourth Schedule** to the Trust Deed;

"Definitive Notes" means the Definitive Class A Notes, the Definitive Class B Notes, the Definitive Class C Notes, and/or definitive notes issued in respect of New Notes (not being Further Class A Notes, Further Class B Notes or Further Class C Notes) or, as the context may require, any combination of the same;

"Designated Interest Period" has the meaning ascribed thereto in **Clause 9.3** of the Working Capital Facility Agreement;

"Double Taxation Treaty" means any convention between the government of the United Kingdom and any other government for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital gains;

"Drawdown Date" means:

in relation to any Term Advance, as the context may require, the proposed date for the making of such Term Advance and which is specified in the relevant Drawdown Notice relating to that Term Advance; and

in relation to any Working Capital Facility Loan, as the context may require, the proposed date for the making of such Working Capital Facility Loan and which is specified in the Working Capital Facility Request relating to that Working Capital Facility Loan;

"Drawdown Notice" means in relation to the Issuer/Borrower Facility Agreement, a duly completed notice substantially in the form set out in **Schedule 3** to that agreement; and in relation to the Working Capital Facility Agreement, a duly completed notice substantially in the form set out in **Schedule 2** to that agreement;

"EBITDA" means, for any Relevant Period, the consolidated earnings of the Obligors (excluding interest accrued but not received on loans to Excluded Group Entities and Westminster Securitisation Group Entities) before taking into account or, if already taken into account in calculating the net income of the Obligors after adding back any of those items listed in **paragraphs (a) to (c)** below:

- (a) any provision on account of taxation;
- (b) any interest, commissions, discounts and other fees incurred by any Obligor in respect of financial indebtedness; and
- (c) any amount attributable to amortisation of goodwill, or other intangible assets or the amortisation or the writing off of acquisition or refinancing costs and any deduction for depreciation,

and after adjusting to exclude items referred to in **paragraphs (d) and (e)** below (provided that any amount shall only be excluded once):

- (d) items treated as extraordinary or non-operating exceptional income/charges under accounting principles generally accepted in the United Kingdom; and
- (e) any amount attributable to the writing up or writing down of any assets (including, without limitation, in respect of Close Care Units) of any Obligor after the Closing Date, or, in the case of a company becoming a subsidiary after the Closing Date, after the date of it becoming a subsidiary,
- (f) and adding, for the purposes of the calculation of the DSCR pursuant to **Clause 15.1** of the Issuer/Borrower Facility Agreement only, the then balance of the Cash Reserve Account;

"Eligible Investments" means:

- (a) sterling gilt edged securities; and
- (b) sterling demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper),
- (c) provided that in all cases such investments have a maturity date falling no later than the next following date on which a payment is required to be made with the moneys invested in Eligible Investments and the short-term unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an

authorised bank under the Banking Act 1987) are rated F-1+ and/or D-1+ by the Rating Agencies (or its equivalent) or higher by at least two internationally recognised rating agencies;

"EMU" means Economic and Monetary Union as contemplated in the Treaty on European Union;

"Encumbrance" includes any mortgage, standard security, charge (whether legal or equitable), assignation in security, pledge, lien, hypothecation or other encumbrance securing any obligation of any person (including, without limitation, title transfer and retention arrangements (other than those entered into in the ordinary course of trading), sale and leaseback, sale and repurchase arrangements, or any other agreement, trust or arrangement having the effect of providing security);

"Enforcement Event" means the earlier to occur of the following the Security Trustee's being of the opinion that any payment made under any of the Lease Guarantees has a Material Adverse Affect; or the occurrence of a WHC Event of Default which has not been waived or remedied within any applicable grace period;

"English Mortgaged Property" means all those of the WHC Mortgaged Properties and all those of the WHC Charged Properties as are situated in England and Wales and are the subject of a legal mortgage under the WHC Debenture being those properties described in **Part I of Schedule 1** to the WHC Debenture;

"Environment" means all or any of the following media:

- (a) air (including air within buildings or other structures and whether above or below ground);
- (b) land (including buildings and any other structures or erections in, on or under it and any soil and anything below the surface of land);
- (c) land covered with water; and
- (d) water (including sea, ground, drinking and surface water);

"Environmental Approvals" means any permit, approval, identification number, consent, licence or other authorisation required under any applicable Environmental Laws;

"Environmental Claims" means any and all administrative, regulatory or judicial actions, suits, demands, demand letters, claims, notices of non-compliance or violation, investigations, proceedings, consent orders or consent agreements relating in any way to any Environmental Law or any Environmental Approval (hereafter **"Actions"**), including without limitation:

any and all Actions by governmental or regulatory authorities for enforcement, clean-up, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law; and

any and all Actions by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief arising from alleged injury or threat to health, safety or the environment;

"Environmental Law" means all statutes, treaties and conventions, directives, regulations, circulars and guidance notes having legal or judicial import or effect whether of a criminal, civil or administrative nature, and the rules of common law, relating to or concerning:

- (a) pollution or contamination of the Environment;
- (b) harm to the health of humans, living organisms and ecological systems;
- (c) the generation, manufacture, processing, distribution, use (including abuse), treatment, storage, disposal, transport or handling of any Dangerous Substance; and
- (d) the emission, leak, release or discharge into the Environment of noise, vibration, dust, fumes, gas, odours, smoke steam, effluvia, heat, light radiation (of any kind), infection, bacteria, electricity or any Dangerous Substance and any matter or thing capable of constituting a nuisance or any actionable tort or delict of any kind in respect of such matters;

"Environmental Reports" means the reports prepared by IGES Ltd. dated on or about the Closing Date November, 1999 in respect of environmental matters related to, *inter alia*, the WHC Mortgaged Properties;

"Escrow Accounts" means the Borrower Escrow Account and the CC Escrow Accounts and **"Escrow Account"** means any one of them;

"Euro" means the single currency of Participating Member States of the European Union;

"Euroclear" means Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euroclear System or the successor for the time being to such business;

"Excess" means, in relation to the sale or other disposal of a WHC Mortgaged Property or any other part of the WHC Charged Property, the amount equal to Net Sales Proceeds less an amount equal to 'A', where 'A' is calculated in accordance with the following formula:

$$A = B \times C$$

where:

'B' is equal to the greatest of:

- (i) the valuation of the Relevant Property (according to the Closing Date Valuation) or, if later, the date of its acquisition by the relevant Obligor;
- (ii) the Operating Profit in respect of the Relevant Property *divided by* the aggregate Operating Profit in respect of all the WHC Mortgaged Properties (in each case for the immediately preceding four consecutive Financial Periods) *multiplied by* the appropriate Closing Date Valuation; and

- (iii) the Operating Profit in respect of the Relevant Property for the financial year ended 31st May, 1999 *divided by* the aggregate Operating Profit in respect of all WHC Mortgaged Properties for the financial year ended 31st May, 1999 *multiplied by* the aggregate Closing Date Valuation; and

'C' is an amount equal to **1.25**, or, if more than 25 per cent. by aggregate value (calculated in terms of the Closing Date Valuation (or, in respect of later-acquired properties, their acquisition value)) of the WHC Mortgaged Properties (or parts thereof or other WHC Charged Property) has previously been disposed of, **1.5**;

"Exchange Date" means the date 40 days after the later of the commencement of the offering of the Notes and the Closing Date;

"Excluded Group Entities" means WHC Group Limited and any direct or indirect subsidiary of WHC Group Limited which is not a Westminster Securitisation Group Entity and **"Excluded Group Entity"** means any one of them;

"Executive Directors" means each of Dr Chaitanya Bhupendra Patel, Mr Anthony George Heywood and Mr Stephen John Purse or such other person or persons from time to time appointed as an executive director of any Obligor either in addition to or in place of the existing Executive Directors;

"Extension Request" has the meaning ascribed thereto in **Clause 2.2(a)** of the Liquidity Facility Agreement;

"Extraordinary Resolution" has the meaning set out in **paragraph 21** of the **Sixth Schedule** to the Trust Deed;

"Facility Office" means the office through which the Liquidity Facility Provider will perform all or any of its obligations under the Liquidity Facility Agreement;

"Fax Indemnity" means any indemnity given in relation to the giving of notices by fax;

"Final Maturity Date" means in relation to the Term A Facility, the Loan Interest Payment Date falling in July 2028; in relation to the Term B Facility and the Term C Facility, the Loan Interest Payment Date falling in July 2030; in relation to the Notes, the Interest Payment Date falling in July 2030.

"Final Redemption" means the date on which all moneys and other liabilities for the time being due or owing by the Issuer to the Security Trustee or the Noteholders under the Notes or in accordance with the Trust Deed have been paid in full;

"Finance Lease" means a contract between a lessor and a lessee treated as a finance lease in accordance with Accounting Principles;

"Financial Adviser" means Deloitte & Touche of Stonecutter Court, London EC4A 4TR or such other person as is appointed to act as such pursuant to the Financial Advisory and Asset Administration Agreement;

"Financial Advisory and Asset Administration Agreement" means the agreement dated on or about the Closing Date, made between the Issuer, the Obligors, the Note Trustee, the Security Trustee, the Financial Adviser and the Asset Administrator;

"Financial Indebtedness" means, in relation to any Obligor at any time, any indebtedness incurred in respect of:

- (a) the principal amount, and the capitalised element (if any), of money borrowed or raised and debit balances at banks and premiums if any and capitalised interest in respect thereof (provided that for the purpose of calculating the amount of Financial Indebtedness this shall be calculated on a net basis where the debit balances are subject to a clearing bank's standard terms for netting accounts);
- (b) the principal and premiums (if any) and capitalised interest in respect of any debenture, bond note, loan stock or similar debt instrument;
- (c) liabilities in respect of any letter of credit, standby letter of credit, acceptance credit, bill discounting or note purchase facility and any receivables purchase, factoring or discounting arrangements PROVIDED that for the purposes of calculating the amount of Financial Indebtedness any obligations in respect of letters of credit or standby letters of credit shall not be included unless the relevant Obligor is in default of its obligations to the issuer under such letter of credit or standby letter of credit;
- (d) rental or hire payments under any Finance Lease;
- (e) the deferred purchase price of assets or services save for:
 - (i) any such arrangement entered into in the ordinary course of trading and having a term not exceeding 180 days from the date on which the liability was originally incurred; and
 - (ii) where the instrument creating the indebtedness is entered into in the ordinary course of trade and the deferred purchase price in respect of assets or services is expressed to be payable in instalments or where the relevant amount is a retention of payment by a Obligor to ensure performance of obligations owed to it;
- (f) liabilities in respect of any foreign exchange agreement (other than foreign exchange agreements for spot delivery or entered into bona fide to hedge exposure in the ordinary course of trade of a Obligor), currency swap or interest purchase or swap or other derivative transactions or similar arrangements PROVIDED that to the extent that the relevant contract provides for net payments to be made the amount of Financial Indebtedness shall be the net amount due or the net exposure thereunder (being the amount payable by the party liable thereunder on termination or closing out of such arrangements determined on a mark to market basis);
- (g) all obligations to purchase, redeem, retire, defease or otherwise acquire for value any share capital of any person or any warrants, rights or options to acquire such share capital in respect of transactions which in each such case

have the commercial effect of borrowing or which otherwise finance its or the WHC Security Group's operations or capital requirements;

- (h) any other transactions having the commercial effect of borrowing entered into by such Obligor; and
- (i) all Financial Indebtedness of other persons of the kinds referred to in **paragraphs (a) to (h)** above guaranteed or indemnified directly or indirectly in any manner by such Obligor or having the commercial effect of being guaranteed or indemnified directly or indirectly by such Obligor;

"Financial Period" means each period as follows :

- (a) the first Financial Period shall commence on (and include) the Closing Date and end on (but exclude) 1st April 2000;
- (b) the second Financial Period shall commence on (and include) 1st April 2000 and end on (but exclude) 1st July 2000;
- (c) the third Financial Period shall commence on (and include) 1st July 2000 and end on (but exclude) 1st October 2000;
- (d) the fourth Financial Period shall commence on (and include) 1st October 2000 and end on (but exclude) 1st January 2001; and
- (e) each subsequent Financial Period shall commence on (and include) the first day of January, April, July and October in each year and end on (but exclude) the first day in the following April, July, October and January, respectively in each year;

"Financial Ratio Compliance Certificate" means a certificate and report to be delivered to the Security Trustee pursuant to **Clause 14.2(b)(ii)** of the Issuer/Borrower Facility Agreement and which is substantially in the form set out in **Schedule 5** to the Issuer/Borrower Facility Agreement;

"Financial Statements" means the Audited Financial Statements and the Unaudited Financial Statements;

"Financial Year" means from (and including) the Closing Date to (but excluding) 1 January 2001 and thereafter each period comprised of four consecutive Financial Periods (but so that no Financial Period shall fall in more than one Financial Year);

"Fitch" means Fitch IBCA Limited or any successor to its ratings business;

"Further Class A Notes" means any Class A Notes of the Issuer constituted by a deed supplemental to the Trust Deed pursuant to **Clause 2.3** of the Trust Deed and for the time being outstanding or, as the context may require, a specific number thereof and includes the Class A Temporary Global Note (or any part thereof) representing the same, the Class A Permanent Global Note (or any part thereof) representing the same, and (if issued) the Definitive Class A Notes (or any of them) representing the same;

"Further Class B Notes" means any Class B Notes of the Issuer constituted by a deed supplemental to the Trust Deed pursuant to **Clause 2.3** of the Trust Deed and for the

time being outstanding or, as the context may require, a specific number thereof and includes the Class B Temporary Global Note (or any part thereof) representing the same, the Class B Permanent Global Note (or any part thereof) representing the same, and (if issued) the Definitive Class B Notes (or any of them) representing the same;

"Further Class C Notes" means any Class C Notes of the Issuer constituted by a deed supplemental to the Trust Deed pursuant to **Clause 2.3** of the Trust Deed and for the time being outstanding or, as the context may require, a specific number thereof and includes the Class C Temporary Global Note (or any part thereof) representing the same, the Class C Permanent Global Note (or any part thereof) representing the same, and (if issued) the Definitive Class C Notes (or any of them) representing the same;

"Further Couponholders" means the several persons who are for the time being the holders of Further Coupons;

"Further Coupons" means in respect of Further Notes, the bearer interest coupons in or substantially in the form set out in the relevant part of the relevant schedule to the Trust Deed of the Class of Notes with which the Further Notes form a single class, appertaining to the relevant Further Notes and includes, where applicable, the Talon(s) appertaining thereto and any replacements for such Coupons and Talons issued pursuant to the relevant Conditions;

"Further Issue" means has the meaning ascribed thereto in **Clause 2.3** of the Trust Deed;

"Further Noteholders" means the holders of any Further Notes;

"Further Notes" means any Further Class A Notes, Further Class B Notes and/or Further Class C Notes, for the time being outstanding or, as the context may require, a specific number thereof and includes the relevant temporary global note (or any part thereof) representing the same, the relevant permanent global note (or any part thereof) representing the same, and if issued, the relevant definitive notes (or any of them) representing the same or, as the context may require, any combination of the same;

"Further Permanent Global Note" has the meaning ascribed thereto in **Clause 3.4(b)** of the Trust Deed;

"Further Temporary Global Note" has the meaning ascribed thereto in **Clause 3.4(a)** of the Trust Deed;

"Further Term Advance" means, save as otherwise provided, an advance made or to be made by the Issuer under a Further Term Facility;

"Further Term Facility" means a term facility ranking *pari passu* with and forming part of a term facility then outstanding requested of the Issuer by a Borrower pursuant to **Clause 2.6** of the Issuer/Borrower Facility Agreement and made available to a Borrower by the Issuer in accordance with and subject to the provisions of **Clause 2.6** of the Issuer/Borrower Facility Agreement;

"Further Term Loan" means the aggregate principal amount for the time being outstanding under the Further Term Facilities (if any);

"General Bank Mandate" means a list of the authorised signatories of the Security

Trustee to the WHC Accounts which it may be required to control, as amended from time to time by notice to the WHC Account Bank, the form of which (as at the Closing Date) is attached as Schedule 3 to the WHC Bank Account Agreement;

"Global Notes" means the Class A Global Notes, the Class B Global Notes and the Class C Global Notes and any Further Global Notes or, as the context may require, any combination of the same;

"Gross Redemption Yield" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute and Faculty of Actuaries as reported in the Journal of the Institute of Actuaries, Vol. 105, Part 1, 1978, page 18;

"Guaranteed Amounts" has the meaning ascribed thereto in **Clause 18.1** of the Issuer/Borrower Facility Agreement or **Clause 15.1** of the Working Capital Facility Agreement (as the case may be);

"Guarantor Accession Agreement" means a deed in the form of **Schedule 4** to the Working Capital Facility Agreement with such amendments as the Working Capital Facility Provider may approve or reasonably require;

"Guarantors" means the Parent and the Close Care Landlords and any Additional Guarantor, and **"Guarantor"** means any one of them;

"Health Authority" means a Health Authority in England and Wales or a Health Board (or where applicable, local authority) in Scotland;

"Holding Company" means a holding company within the meaning of Section 736 of the Companies Act 1985;

"increased cost" has the meaning ascribed thereto in **Clause 13.1** of the Working Capital Facility Agreement;

"Individual Reserve Amount" means, in respect of each Relief Application Property, the amount comprised within the Stamp Duty Reserve Amount which equates to the stamp duty potentially payable in respect of such property;

"Initial Borrower" means Westminster Health Care Limited, a company incorporated in England and Wales with limited liability (registered number 1946682) whose registered office is at Kings Court, 41-51 Kingston Road, Leatherhead, Surrey KT22 7SZ;

"Initial Borrower Charged Property" means the property, assets and rights of the Initial Borrower that are the subject of security interests created by the Initial Borrower in favour of the Security Trustee pursuant to **Clause 4** of the WHC Debenture and/or the WHC Standard Securities;

"Initial Guarantors" means the Parent and the Close Care Landlords and **"Initial Guarantor"** mean any one of them;

"Initial Reserve Amount" means the sum of £4,000,000, to be deposited into the Cash Reserve Account in accordance with the provisions of **Clause 16.7(a)(i)** of the Issuer/Borrower Facility Agreement;

"Initial Scheduled Repayments" means the Scheduled A Repayments as at the Closing Date;

"Initial Term Advance" means an advance made under any of the Initial Term Facilities on the Closing Date;

"Initial Term Facilities" means the Term A Facility, the Term B Facility and the Term C Facility granted by the Issuer to the Initial Borrower on the Closing Date and excluding for the avoidance of doubt any Further Term Facility or New Term Facility;

"Insurance Policies" means each of the policies of insurance set out in **Schedule 3** to the WHC Debenture and any other policies of insurance (other than the policies of life assurance or life insurance) taken out by or on behalf of any Obligor, as the case may be, in which any Obligor may now or hereafter have an interest;

"Insurance Reports" means the letters from each of Willis Corroon and Aon RiskServices dated the Closing Date addressed to, *inter alios*, the Issuer, the Security Trustee, the Note Trustee and the Lead Manager each substantially in the form set out in **Schedule 7** to the Issuer/Borrower Facility Agreement;

"Intellectual Property" means all interests in any part of the world in or relating to registered and unregistered trademarks and service marks, patents, registered designs, trade names, titles, registered or unregistered copyrights in published and unpublished works, unregistered designs, inventions registered or unregistered, any other intellectual property rights and any applications for any of the foregoing;

"Interest Amount" has the meaning ascribed thereto in **Condition 4(d)**;

"Interest Charges" means in respect of any Relevant Period, an amount equal to the aggregate amount of interest which accrues on Relevant Financial Indebtedness, less the Available Interest Credit;

"Interest Payment Date" means 5th January and 5th July in each year (or, if such day is not a Business Day, the next succeeding Business Day), commencing on the Interest Payment Date falling in July 2000;

"Interest Period" means:

- (a) in relation to Notes, the periods determined pursuant to **Condition 4(b)**; and
- (b) in relation to the Revolving Credit Loans, the periods determined pursuant to **Clause 8** of the Working Capital Facility Agreement;

"Interim Payment" has the meaning given in **Clause 8.6** of the Issuer/Borrower Facility Agreement;

"Interim Payment Account" means the account (number 00856967/sort code 20-25-29) held at the WHC Account Bank of the Initial Borrower designated "Westminster Health Care Limited - Interim Payment Account" (or any other account subsequently opened to replace such first-mentioned account);

"Interim Payment Date" means the first business day of each calendar month (other than January and July);

"IP Licence" means any licence or other agreement pursuant to or under which any Intellectual Property is held or exploited by any Obligor;

"Issuer" means Westminster Health Care Finance Limited, a company incorporated in the Cayman Islands with limited liability whose registered office is Maples and Calder, Ugland House, South Church Street, PO Box 309, George Town, Grand Cayman, Cayman Islands;

"Issuer Account Bank" means Barclays Bank PLC acting through its branch at 71 Grey Street, Newcastle-upon-Tyne NE99 1JP or such other person or persons from time to time appointed as account bank, subject to and in accordance with the terms of the Servicing and Cash Management Agreement;

"Issuer Accounts" means:

- (a) the Issuer Transaction Account;
- (b) the Issuer Cash Collateralisation Account; and
- (c) the Liquidity Facility Reserve Account,

and **"Issuer Account"** means any one of them;

"Issuer Available Funds" means on any Interest Payment Date all funds available to the Issuer to make payments of the items specified in **Clause 5.2(a)** to (i) of the Issuer Deed of Charge;

"Issuer/Borrower Facility Agreement" means the agreement dated the Closing Date between the Initial Borrower, the Parent, the Close Care Landlords, the Issuer and the Security Trustee pursuant to which the Issuer agrees to make available, from time to time, certain loan facilities to the Borrower(s) upon and subject to the terms set out therein;

"Issuer Cash Collateralisation Account" means the bank account (number 70091081/sort code 20-25-29) of the Issuer designated "Westminster Health Care Finance Limited - Issuer Cash Collateralisation Account" and which is maintained with the Issuer Account Bank (or such other account in the name of the Issuer subsequently opened to replace such first-mentioned account);

"Issuer Charged Property" means the whole of the right, title, benefit and interest of the Issuer in the property, assets and rights of the Issuer described in **Clause 3** of the Issuer Deed of Charge and all other property, assets and rights whatsoever of the Issuer and wheresoever situate, present and future, including without limitation any uncalled share capital of the Issuer (but excluding always the sum of £1 retained by the Issuer);

"Issuer Deed of Charge" means the deed dated the Closing Date between the Issuer, the Security Trustee, the Note Trustee, the Liquidity Facility Provider, the Issuer Account Bank, the Agent Bank, the Servicer, the Financial Adviser, the Asset Administrator, the Principal Paying Agent and the Luxembourg Paying Agent;

"Issuer Event of Default" means any of the events specified in **Condition 9** which entitles the Note Trustee to serve an Note Enforcement Notice pursuant to the terms

thereof;

"Issuer Obligations" means the aggregate of all moneys and other liabilities for the time being due or owing by the Issuer:

- (a) to the Security Trustee, any Receiver, the Note Trustee, the Class A Noteholders, the Class A Couponholders (if any), the Class B Noteholders, the Class B Couponholders (if any), the Class C Noteholders, the Class C Couponholders (if any), any New Noteholders and any New Couponholders under or pursuant to the Issuer Deed of Charge, the Class A Notes, the Class A Coupons, the Class B Notes, the Class B Coupons, the Class C Notes, the Class C Coupons, any New Notes, any New Coupons, the Trust Deed and the Agency Agreement;
- (b) to the Liquidity Facility Provider under the Liquidity Facility Agreement and the Issuer Deed of Charge;
- (c) to the Agents under the Agency Agreement and the Issuer Deed of Charge;
- (d) to the Servicer and the Issuer Account Bank under the Servicing and Cash Management Agreement and the Issuer Deed of Charge; and
- (e) to the Financial Adviser and/or the Asset Administrator under the Financial Advisory and Asset Administration Agreement and the Issuer Deed of Charge;

"Issuer Secured Amounts" means the moneys and liabilities which the Issuer covenants and undertakes in **Clause 2** of the Issuer Deed of Charge to pay or discharge and all claims, demands and damages for breach of any such covenant, and references to the Issuer Secured Amounts includes references to any of them;

"Issuer Secured Creditors" means each of:

- (a) the Security Trustee;
- (b) the Note Trustee;
- (c) the Class A Noteholders;
- (d) any Class A Couponholders;
- (e) the Class B Noteholders;
- (f) any Class B Couponholders;
- (g) the Class C Noteholders;
- (h) any Class C Couponholders;
- (j) the Liquidity Facility Provider;
- (k) any New Noteholders;
- (l) any New Couponholders;

- (m) the Agent Bank;
- (n) the Financial Adviser;
- (o) the Asset Administrator;
- (p) the Principal Paying Agent;
- (q) the Luxembourg Paying Agent;
- (r) the Servicer; and
- (s) the Issuer Account Bank;

"Issuer Security" means the security and charges created by or pursuant to the Issuer Deed of Charge and/or any deed executed or created pursuant thereto;

"Issuer Transaction Account" means the account number 60319880 and sort code 20-25-29 of the Issuer having the name "Westminster Health Care Finance Limited - Issuer Transaction Account" and maintained with the Issuer Account Bank (or such other account in the name of the Issuer subsequently opened to replace such first-mentioned account);

"Laing & Buisson" means Laing & Buisson Publications Limited;

"Laing & Buisson Letter" means the letter dated 2nd November, 1999 from Laing & Buisson addressed to the Security Trustee, the Issuer and the Initial Borrower;

"Lead Manager" means Barclays Bank PLC as lead manager under the Subscription Agreement;

"Lease Guarantees" means the following guarantees granted by the Initial Borrower:

- (a) the unconditional guarantee dated 6th February, 1998 by the Initial Borrower to Atlantic Healthcare Limited of lease obligations of Westminster Health Care (NH) Limited to Atlantic Healthcare Finance Limited;
- (b) the guarantee by the Initial Borrower in respect to the obligations of WHC (UK) Limited under a lease dated 22nd June, 1999 between, *inter alios*, the Initial Borrower and WHC (UK) Limited in respect of its head office at First Floor, Wing A, Kings Court, Kingston Road, Leatherhead, Surrey; and
- (c) the guarantee by the Initial Borrower of the performance by Northminster Limited of its lease obligations in connection with offices in Warwick;

"Legal Opinions" or **"Opinions"** means the opinions referred to in **Part 1, Paragraph D of Schedule 1** to the Issuer/Borrower Facility Agreement;

"LF Interest Payment Date" means:

- (a) subject to paragraph (b) below, the 4th day in each calendar month; and
- (b) in relation to January and July, means 5th January and 5th July, respectively,

unless such day is not a Business Day, in which case the Convention shall apply;

"LIBOR" means:

- (a) the arithmetic mean of the offered quotations to leading banks (rounded to four decimal places with the mid-point rounded up) for sterling deposits for the relevant period (or deposits for such other currency or currency unit as may replace sterling as the lawful currency of the United Kingdom) in the London Inter-bank market which appear on Telerate Screen Page No. 3750 (the **"Screen Rate"**) (or (i) such other page as may replace Telerate Screen Page No. 3750 on that service for the purpose of displaying such information or (ii) if that service ceases to display such information, such page as displays such information on such equivalent service (or, if more than one, that one which is approved by the Security Trustee) as may replace the Telerate Monitor) at or about 11.00 a.m. on the Quotation Date; or
- (b) if the Screen Rate is not then available for sterling deposits for the relevant period (or deposits for such other currency or currency unit as may replace sterling as the lawful currency of the United Kingdom), the arithmetic mean (rounded to four decimal places with the mid-point rounded up) of the rates notified to the Agent Bank, at its request by each of the Reference Banks as the rate at which sterling deposits for the relevant period (or deposits for such other currency or currency unit as may replace sterling as the lawful currency of the United Kingdom) are offered for that period by that Reference Bank to leading banks in the London Inter-bank market at or about 11.00 a.m. (London time) on the Quotation Date. If on any such date, two only of the Reference Banks provide such offered quotations to the Agent Bank, the relevant rate shall be determined, as aforesaid, on the basis of the offered quotations of those Reference Banks providing such quotations. If, on any such date, only one of the Reference Banks provides the Agent Bank with such an offered quotation, the Agent Bank shall forthwith consult with the Note Trustee or the Security Trustee, as the case may be, and the Issuer for the purposes of agreeing one additional bank to provide such a quotation or quotations to the Agent Bank (which bank is in the opinion of the Note Trustee or the Security Trustee, as the case may be, suitable for such purpose) and the rate for the period in question shall be determined, as aforesaid, on the basis of the offered quotations of such banks as so agreed. Save as expressly provided in any of the Transaction Documents, if no such bank or banks is or are so agreed or such bank or banks as so agreed does or do not provide such a quotation or quotations, then the rate for the relevant period shall be the rate in effect for the last preceding Interest Period or Loan Interest Period (as the case may be) to which sub-paragraph (a) of the foregoing provisions of this sub-paragraph (b) shall have applied;

"Liquidity Documents" means the Liquidity Facility Agreement, the Issuer Deed of Charge, the Liquidity Facility Fee Letter, and any other document designated as such by the Issuer and the Liquidity Facility Provider;

"Liquidity Drawing" means a drawing made under **Clause 5.1** of the Liquidity Facility Agreement or deemed to be made under **Clause 5.2(e)(i)** of the Liquidity Facility Agreement;

"Liquidity Facility" means the committed sterling advances revolving facility and the committed sterling standby facility provided by the Liquidity Facility Provider to the Issuer under the Liquidity Facility Agreement;

"Liquidity Facility Agreement" means the agreement dated the Closing Date between the Issuer, the Liquidity Facility Provider and the Security Trustee pursuant to which the Liquidity Facility Provider agrees to provide the Issuer, from time to time, with advances for the purposes specified therein, subject to and in accordance with its terms;

"Liquidity Facility Commitment Termination Date" means, subject to **Clause 2.2** of the Liquidity Facility Agreement, the date falling 364 days after the date of the Liquidity Facility Agreement;

"Liquidity Facility Drawing Notice" means a notice substantially in the form set out in **Schedule 2** to the Liquidity Facility Agreement;

"Liquidity Facility Event of Default" means each of the events specified in **Clause 14.1** of the Liquidity Facility Agreement;

"Liquidity Facility Fee Letter" means the letter agreement dated the Closing Date between the Liquidity Facility Provider and the Issuer relating to the fees payable under **Clause 15.2** of the Liquidity Facility Agreement;

"Liquidity Facility Interest Period" means, with respect to a Liquidity Drawing or a Liquidity Facility Standby Drawing, each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next following LF Interest Payment Date except that:

- (a) the first Liquidity Facility Interest Period shall start of the date of advance of the relevant Liquidity Drawing or Liquidity Facility Standby Drawing (as the case may be) and end on the next following LF Interest Payment Date; and
- (b) if a Liquidity Facility Interest Period would end on a day which is not a Business Day, the Convention shall apply;

"Liquidity Facility Limit" means the facility limit afforded by the Liquidity Facility Agreement, being on the Closing Date, £15,000,000;

"Liquidity Facility Margin" means:

- (a) in the case of a Liquidity Drawing which has been outstanding (including by way of refinancing through a rollover) for a period of one to five days (inclusive), nought point seven five per cent. (0.75%) per annum;
- (b) in the case of a Liquidity Drawing which has been outstanding (including by way of refinancing through a rollover) for a period of six to 30 days (inclusive), one point nought per cent. (1.0%) per annum; or
- (c) in the case of a Liquidity Drawing which has been outstanding (including by way of refinancing through a rollover) for a period in excess of 30 days, one point five per cent. (1.5%) per annum.

For the avoidance of doubt, each Liquidity Drawing shall accrue interest at the highest applicable rate for the full period that the relevant Liquidity Drawing is outstanding;

"Liquidity Facility Provider" means Barclays Bank PLC acting through its branch at 71 Grey Street, Newcastle-upon-Tyne NE99 1JP or such other bank or banks with at least the Requisite Ratings which agrees to provide a liquidity facility to the Issuer on substantially similar terms to the Liquidity Facility Agreement;

"Liquidity Facility Relevant Event" means any of the following events:

- (a) the downgrade on any day of the short-term, unsecured, unsubordinated and unguaranteed debt of the Liquidity Facility Provider to lower than the Requisite Ratings; or
- (b) the refusal by the Liquidity Facility Provider of an Extension Request made pursuant to **Clause 2.2** of the Liquidity Facility Agreement; or
- (c) the Issuer requesting that the Liquidity Facility Provider transfer its rights and obligations under the Liquidity Facility Agreement to a third party;

"Liquidity Facility Reserve Account" means the account of the Issuer (number 70100684/sort code 20-25-29) designated "Westminster Health Care Finance Limited - Liquidity Facility Reserve Account" and maintained with the Issuer Account Bank (or such other account in the name of the Issuer subsequently opened to replace such first-mentioned account);

"Liquidity Facility Standby Drawing" means a drawing made under **Clause 5.2(a)** of the Liquidity Facility Agreement;

"Liquidity Facility Standby Drawing Period" means the period from the date on which a Liquidity Facility Standby Drawing is made in accordance with the terms of the Liquidity Facility Agreement to the date on which it is repaid by the Issuer to the Liquidity Facility Providers pursuant to **Clause 8.1(d)** of the Liquidity Facility Agreement;

"Liquidity Facility Standby Loan" means the aggregate principal amount of all Liquidity Facility Standby Drawings made under the Liquidity Facility Agreement for the time being outstanding;

"Liquidity Loan" means the aggregate principal amount of all Liquidity Drawings made under the Liquidity Facility Agreement for the time being outstanding;

"Liquidity Outstandings" means, at any time, the principal amount of all Liquidity Drawings and Liquidity Facility Standby Drawings together with accrued interest and (without double counting) all other amounts due and payable under the Liquidity Facility Agreement outstanding at that time;

"Liquidity Shortfall" means the amount by which the aggregate amount of the Issuer's obligations in respect of items listed in paragraph (a) to (k) inclusive of **Clause 5.2** of the Issuer Deed of Charge exceeds the Issuer Available Funds;

"Liquidity Subordinated Amounts" has the meaning ascribed thereto in

Clause 5.2(b) of the Issuer Deed of Charge;

"Loan Interest Payment Date" means:

- (a) in relation to the Term Facilities (other than the New Term Facilities), 5th January and 5th July in each calendar year, or if such a day is not a Business Day, the next succeeding Business Day; and
- (b) in relation to the New Term Facilities, unless otherwise agreed in writing, shall match the interest payment date on the relevant issue of New Notes made or to be made by the Issuer to fund such New Term Advance which date shall be agreed between the relevant Borrower(s), the Issuer and the Security Trustee at the time the New Notes are issued;

"Loan Interest Period" means, in relation to Initial Term Advances, Further Term Advances and New Term Advances, the period determined pursuant to **Clause 7.1** or **7.2** (as the case may be) of the Issuer/Borrower Facility Agreement;

"Luxembourg Paying Agent" means Banque Internationale à Luxembourg S.A. of 69 route d'Esch L-1470 Luxembourg or such other person appointed paying agent in Luxembourg pursuant to the provisions of the Agency Agreement;

"Maintenance Capex Ledger" means the ledger maintained by the Initial Borrower in accordance with **Clause 16.1 (aa) 2 (b)** of the Issuer/Borrower Facility Agreement;

"Managers" means the Lead Manager and, in respect of the subscription of the Original Class A Notes pursuant to the Subscription Agreement, Greenwich NatWest Limited (as agent for National Westminster Bank Plc) and The Royal Bank of Scotland plc;

"Mandate" means the bank account mandate entered into between the WHC Account Bank and the relevant Obligor in relation to each of the WHC Bank Accounts, the form of which is attached as **Schedule 2** to the WHC Bank Account Agreement;

"Material Adverse Effect" means any effect which in the opinion of the Security Trustee acting reasonably:

- (a) is or is likely to be materially adverse to:
 - (1) (i) the value of the assets of the WHC Security Group; and
 - (ii) the value of the assets of the WHC Security Group relative to the aggregate amount outstanding under the WHC Borrower Facility Agreements at the relevant time (in each case taken as a whole); or
 - (2) the ability of the Obligors taken as a whole to perform in a timely manner all or any of their financial obligations under any of the Transaction Documents; or
- (b) results in any Transaction Document being not legal, valid and binding or not enforceable against any party thereto in any material respect or the security over the assets expressed to be secured thereby not being valid or enforceable in any material respect, as applicable;

"Maturity Date" means the last day of the Interest Period of a Revolving Credit Loan;

"Millennium Compliant" means that neither the performance nor functionality of the Systems is or will be affected by dates prior to, during or after the year 2000 and in particular (but without limitation):

- (a) no value for current date causes or will cause any interruption in operation;
- (b) date-based functionality operates and will operate consistently for dates prior to, during and after the year 2000;
- (c) in all interfaces and data storage, the century in any date is and will be specified either explicitly or by unambiguous algorithms or inferencing rules; and
- (d) the year 2000 is and will be recognised as a leap year;

"Minor Disposal" shall have the meaning ascribed to that term in **Clause 16.5(c)(iv)** of the Issuer/Borrower Facility Agreement;

"Net Sales Proceeds" means, in relation to any disposal of a WHC Mortgaged Property or any other part of the WHC Charged Property, (a) the gross proceeds of sale of the WHC Mortgaged Property or other WHC Charged Property (as applicable), less an amount equal to the costs and expenses incurred by or on behalf of the relevant Obligor directly associated with such sale;

"Netting Account" means any Operating Account and/or any Collection Account;

"New Company" has the meaning given in **Clause 5.1** of the Issuer/Borrower Facility Agreement;

"New Couponholders" means the holders of the New Coupons from time to time;

"New Coupons" means in respect of New Notes, the bearer interest coupons in or substantially in the form set out in one of the relevant parts of the relevant schedule to the Trust Deed of the New Notes, appertaining to the definitive new notes and including, where applicable, the Talon(s) appertaining thereto and any replacement for such Coupons and Talons issued pursuant to the relevant condition;

"New Global Notes" has the meaning ascribed thereto in **Clause 3.4** of the Trust Deed;

"New Non-Obligor" has the meaning ascribed thereto in **Clause 5.5** of the Issuer/Borrower Facility Agreement;

"New Noteholders" means the holders of New Notes from time to time;

"New Notes" means any Notes of the Issuer which do not form a single series with the existing Notes (and, as the context may require, includes any Replacement Notes) and which are constituted by a deed supplemental to the Trust Deed pursuant to **Clause 2.3** of the Trust Deed and for the time being outstanding or, as the context may require, a specific number thereof and includes the new temporary global note (or any part thereof) representing the same, the new permanent global note (or any part thereof)

representing the same, and (if issued) the definitive new notes (or any of them) representing the same;

"New Property" has the meaning ascribed to it in **Clause 16.5(c)(v)** of the Issuer/Borrower Facility Agreement;

"New Subsidiary" has the meaning ascribed thereto in **Clause 5.2** of the Issuer/Borrower Facility Agreement;

"New Term Advance" means in relation to a New Term Facility, save as otherwise provided, an advance made by the Issuer under a New Term Facility;

"New Term Loan" means the aggregate principal amount for the time being outstanding under a New Term Facility;

"New Term Facility" means a term facility funded by the issue of New Notes which ranks no higher than the Term A Facility, requested from the Issuer by a Borrower pursuant to **Clause 2.6** of the Issuer/Borrower Facility Agreement and made available to the Borrower by the Issuer in accordance with and subject to the provisions of **Clause 2.6** of the Issuer/Borrower Facility Agreement;

"New Working Capital Facility Provider" has the meaning ascribed thereto in **Clause 25.3** of the Working Capital Facility Agreement;

"Noteholders" means the Class A Noteholders, the Class B Noteholders, the Class C Noteholders and the Class B Noteholders to the extent Notes of the relevant class are outstanding from time to time and includes, where the context so requires, any New Noteholders of any class of New Notes;

"Note Enforcement Notice" means a Class A Enforcement Notice, Class B Enforcement Notice and/or Class C Enforcement Notice, as the case may be;

"Note Principal Payment" in relation to each class of Notes, has the meaning ascribed thereto in **Condition 5(c)(v)**;

"Notes" means the Class A Notes, the Class B Notes and the Class C Notes and/or any New Notes;

"Note Trustee" means Prudential Trustee Company Limited whose registered office is at 142 Holborn Bars, London EC1N 2NH or any other person or persons for the time being acting as the note trustee or note trustees pursuant to the Trust Deed;

"notice" means, in respect of a notice to be given to the Noteholders, a notice duly given in accordance with **Condition 14**;

"Notice of Extension" has the meaning ascribed thereto in **Clause 2.2(b)** of the Liquidity Facility Agreement;

"Obligors" means the Borrower(s) and the Guarantors and **"Obligor"** means any of them;

"Offering Circular" means the offering circular dated 2nd November, 1999 issued by the Issuer in relation to the Original Notes;

"Operating Accounts" means:

- (a) the account of the Initial Borrower (number 10626392/sort code 20-25-29) (designated "Westminster Health Care Limited - Operating Account"); and
- (b) the account of the Initial Borrower (number 30742724/sort code 20-25-29) (designated "Westminster Health Care Limited Petty Cash Account"),

each held with the WHC Account Bank in the name of the Initial Borrower (or any other accounts subsequently opened to replace such first-mentioned accounts);

"Operating Profit" means in respect of a WHC Mortgaged Property and in respect of any period for which the same is to be ascertained, the operating profit attributable to such property for such period as shown in the management accounts of the relevant Obligor, *provided that*, in respect of a New Property proposed to be substituted pursuant to **Clause 16.5(c)(v)** of the Issuer/Borrower Facility Agreement, references to management accounts shall be construed as references to *pro forma* management accounts to be prepared by the relevant Obligor on a basis consistent in all material respects to the management accounts prepared in respect of the Old Property;

"Old Property" has the meaning ascribed thereto in **Clause 16.5(c)(v)** of the Issuer/Borrower Facility Agreement;

"Ordinary Share" means, in relation to each Obligor, an ordinary share in the share capital of that company and **"Ordinary Shares"** shall be construed accordingly;

"Original Class A Notes" means the £130,000,000 6.894 per cent. Class A Secured Notes due 2028 constituted by the Trust Deed or the principal amount thereof for the time being outstanding or, as the context may require, a specific number thereof and includes the Class A Temporary Global Notes (or any part thereof) and the Class A Permanent Global Notes (or any part thereof) representing the same, and (if issued) the Definitive Class A Notes (or any of them) representing the same and references to the Original Class A Notes shall, except where the context otherwise requires, include the Conditions applicable thereto;

"Original Class B Notes" means the £55,000,000 8.05 per cent. Class B Secured Notes due 2030 constituted by the Trust Deed or the principal amount thereof for the time being outstanding or, as the context may require, a specific number thereof and includes the Class B Temporary Global Notes (or any part thereof) and the Class B Permanent Global Notes (or any part thereof) representing the same, and (if issued) the Definitive Class B Notes (or any of them) representing the same and references to the Original Class B Notes shall, except where the context otherwise requires, include the Conditions applicable thereto;

"Original Class C Notes" means the £10,000,000 12.257 per cent. Class C Secured Notes due 2030 constituted by the Trust Deed or the principal amount thereof for the time being outstanding or, as the context may require, a specific number thereof and includes the Class C Temporary Global Notes (or any part thereof) and the Class C Permanent Global Notes (or any part thereof) representing the same, and (if issued) the Definitive Class C Notes (or any of them) representing the same and references to the Original Class C Notes shall, except where the context otherwise requires, include the Conditions applicable thereto;

"Original Financial Statements" means the audited consolidated financial statements of WHC Group Limited for the years ended 31st May, 1997 and 31st May, 1998 and the interim unaudited consolidated financial statements of the WHC Group Limited for the six months ended 30th November, 1998;

"Original Notes" means the Original Class A Notes, the Original Class B Notes and the Original Class C Notes or, as the context may require, any combination of the same;

"outstanding" means, in relation to the Class A Notes, the Class B Notes or the Class C Notes, all the Class A Notes, the Class B Notes or the Class C Notes issued, as the case may be, other than:

- (a) those Notes in respect of which the date for redemption in full (subject, in the case of the Class B Notes and the Class C Notes, to **Condition 15**) has occurred and the full amount of the redemption moneys relating thereto (including all interest payable thereon) has been duly paid to the Note Trustee in the manner provided in the Trust Deed or to the Principal Paying Agent in the manner provided in the Agency Agreement (and, where appropriate, notice to that effect has been given to the Noteholders) and remains available for payment against presentation of the relevant Notes and/or Coupons;
- (b) those Notes which have been redeemed in full or part and cancelled in accordance with, respectively, **Condition 5(b), 5(c), 5(d) or 5(h)**;
- (c) those Definitive Notes which have become void under **Condition 8**;
- (d) those mutilated or defaced Definitive Notes which have been surrendered and in respect of which replacements have been issued pursuant to **Condition 13**;
- (e) (for the purpose only of ascertaining the amount of Definitive Notes outstanding and without prejudice to the status for any other purpose of the relevant Definitive Notes) those Definitive Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to **Condition 13**;
- (f) the Temporary Global Notes to the extent that they shall have been exchanged for the Permanent Global Notes; and
- (g) the Permanent Global Notes to the extent that they have been exchanged for other Permanent Global Notes or for Definitive Notes,

provided that for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of Class A Noteholders, Class B Noteholders or Class C Noteholders, as the case may be;
- (ii) the determination of how many and which Class A Notes, Class B Notes or Class C Notes, as the case may be, are for the time being outstanding for the purposes of **Clauses 6.2(a) and 17** of the Trust Deed, **Conditions 9, 10 and 11** and **paragraphs 3, 6, 7 and 11** of the **Sixth Schedule** to the Trust Deed;

(iii) any discretion, power or authority (whether contained in the Trust Deed, or any of the Transaction Documents to which the Note Trustee is a party or conferred upon the Note Trustee by operation of law) which the Note Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of any of the Class A Noteholders, the Class B Noteholders and/or the Class C Noteholders; and

(iv) the determination by the Note Trustee whether any of the events specified in **Condition 9** is materially prejudicial to the interests of the Class A Noteholders, the Class B Noteholders and/or the Class C Noteholders, as the case may be,

those Class A Notes, Class B Notes and/or Class C Notes (if any), as the case may be, which are for the time being held beneficially by or for the account of the Issuer or any one of the Westminster Securitisation Group, or any subsidiary of the Issuer or any one of the Westminster Securitisation Group or any Holding Company of the Issuer or any Holding Company of any one of the Westminster Securitisation Group shall (unless and until ceasing to be so held and in, the case of the Issuer, cancelled) be deemed not to remain outstanding;

"Overdraft Facility" means the overdraft facility referred to in **Clause 2.1(a)(ii)** of the Working Capital Facility Agreement;

"Overdraft Net Outstandings" means, at any time, the aggregate of such amounts as the Working Capital Facility Provider determines fairly represents the aggregate net exposure of the Working Capital Facility Provider under the Overdraft Facility taking into account the Available Cash Balances in accordance with the WHC Pooling Agreement;

"Overdraft Net Limit" means an amount which when aggregated with the then applicable Revolving Credit Limit does not exceed an aggregate principal amount equal to the Working Capital Facility Commitment to the extent not cancelled under the terms of the Working Capital Facility Agreement;

"Parent" means Westminster Securitisation Limited, a company incorporated in England and Wales with limited liability (registered number 3836877) whose registered office is at Kings Court, 41-51 Kingston Road, Leatherhead, Surrey KT22 7SZ;

"Parent Charged Property" means the property, assets and rights of the Parent that are the subject of security interests created by the Parent in favour of the Security Trustee pursuant to **Clause 3** of the WHC Debenture;

"Parent Original Securities" means the securities listed in **Schedule 2** to the WHC Debenture and any other securities which, with the prior written consent of the Security Trustee, may be substituted therefor together with any other rights, title, interest and benefit of the Parent in any other securities;

"Participating Member State" means, at any time, each state participating in EMU at such time;

"PAYE" means the "pay as you earn" system of accounting for income tax for income taxable under Schedule E as provided for in Section 203 of the Income and Corporation Taxes Act 1988;

"Paying Agents" means:

- (a) the Principal Paying Agent at its specified office outside the United States;
- (b) the Luxembourg Paying Agent;
- (c) such other or further paying agents for the Notes as may from time to time be appointed in accordance with the Agency Agreement; and/or
- (d) such other or further specified offices outside the United States as may from time to time be nominated in accordance with the Agency Agreement;

"Permanent Global Notes" means each of the Class A Permanent Global Notes, the Class B Permanent Global Notes and the Class C Permanent Global Notes and any permanent global notes issued in respect of the New Notes or as the context may require, any combination of the same;

"Permitted Acquisitions" means any acquisition in accordance with **Clause 16.10** of the Issuer/Borrower Facility Agreement;

"Permitted Business" means a business which consists primarily of the ownership of a property or properties in the United Kingdom and the provision thereat or therefrom of residential care accommodation, domiciliary care, nursing, childcare, health care, close care, social care or rehabilitation services and includes the ownership of a United Kingdom incorporated company (whether wholly, or in circumstances where the relevant Obligor owns the majority of the voting rights therein) the primary activity of which is such ownership and provision;

"Permitted Development" means any activity involving capital expenditure (other than capital expenditure incurred in respect of repair and maintenance activities), granting of permissions, consents, licences or property interests or entry into of other arrangements in respect of or for the purpose of the development, enhancement or improvement of any WHC Mortgaged Property;

"Permitted Development Condition" means satisfaction of the following conditions:

- (a) the relevant Permitted Development is for the purpose of adding further bed capacity in respect of the relevant Care Home;
- (b) the amount of Net Sales Proceeds to be applied to the relevant Permitted Development is not greater than 60 per cent. of the total cost of such development; and
- (c) the amount of Net Sales proceeds applied pursuant to this provision shall not exceed £1,000,000 (adjusted in accordance with the Pre-set Increase) at any time, provided that Net Sales Proceeds will not be counted towards this limit in respect of previously completed Permitted Developments funded in part under these provisions once the completed development has attained at least

75 per cent. occupancy rates, and shall, in any event, always be satisfied in respect of Minor Disposals;

"Permitted Disposal" means a disposal on substitution made in accordance with **Clause 16.4** of the Issuer/Borrower Facility Agreement;

"Permitted Encumbrances" means:

- (a) liens arising solely under statute or by operation of law (or by agreement having substantially the same effect) and in the ordinary course of any Obligor's business securing obligations not more than 90 days overdue unless contested in good faith;
- (b) rights of set-off existing in the ordinary course of trading activities between any Obligor and its respective suppliers or customers;
- (c) rights of set-off, banker's liens or the like arising by operation of law or by contract by virtue of the provision to any Borrower of clearing bank facilities, committed overdraft or short term loan facilities with the Working Capital Facility Provider and like arrangements arising as a consequence of entering into arrangements on the Working Capital Facility Provider's standard terms;
- (d) any retention of title of goods supplied to any Obligor where such retention is required by the supplier in the ordinary course of its trading activities and on customary terms and the goods in question are supplied on credit;
- (e) any Encumbrance (other than by way of mortgage or standard security over any WHC Mortgaged Properties) securing any deferred purchase arrangements (to the extent otherwise permitted by the Issuer/Borrower Facility Agreement) entered into in the ordinary course of trading;
- (f) an Encumbrance arising under the Security Documents;
- (g) any Encumbrance (other than by way of mortgage or standard security over any WHC Mortgaged Properties) arising under finance leases, hire purchase agreements, conditional sale agreements or other agreements for the acquisition of assets on deferred payment terms to the extent that the relevant Obligor is permitted to have any such agreements pursuant to the terms of the Transaction Documents;
- (h) any other Encumbrance created with the prior written consent of the Security Trustee;
- (i) any Encumbrance in favour of the Working Capital Facility Provider over goods and documents of title to goods arising in the ordinary course of letter of credit transactions entered into in the ordinary course of trade; or
- (j) any Encumbrance not otherwise permitted pursuant to paragraphs (a) to (i) (inclusive) above together securing indebtedness in an aggregate principal amount not exceeding £100,000.

"Permitted Financial Indebtedness" means:

- (a) Financial Indebtedness outstanding pursuant to the Issuer/Borrower Facility Agreement;
- (b) Financial Indebtedness outstanding pursuant to the Working Capital Facility;
- (c) Financial Indebtedness in respect of hire purchase and finance leases in an aggregate amount not exceeding £2,000,000;
- (d) *de minimis* aggregate figure for the WHC Security Group of £500,000;
- (e) Financial Indebtedness incurred with the consent of the Security Trustee; and
- (f) any other Financial Indebtedness permitted or envisaged by the Transaction Documents;

"Permitted Transactions" means any transaction to be entered into by an Obligor other than those prohibited by the terms of the Transaction Documents;

"Potential Issuer Event of Default" means the occurrence of any event which, with the giving of notice, any relevant certificate, lapse of time, determination of materiality or fulfilment of any other condition (or any combination of the foregoing) might reasonably be expected to become an Issuer Event of Default *provided that* any such event which requires the satisfaction of any condition as to materiality before it becomes an Issuer Event of Default shall not be a Potential Issuer Event of Default until that condition is satisfied;

"Potential WHC Event of Default" means the occurrence of any event which with the giving of notice, any relevant certificate, the lapse of time or fulfilment of any other condition (or any combination of the foregoing) would become a WHC Event of Default, provided that any event which requires the satisfaction of any condition as to materiality before it becomes a WHC Event of Default shall not be a Potential WHC Event of Default until that condition is satisfied;

"Preferential Amount" means, on any date, an amount equal to the current anticipated liabilities of the WHC Security Group in respect of VAT, PAYE and National Insurance Contributions for staff in respect of the then following month and an amount estimated by the Initial Borrower to equal its anticipated liability (if any) to corporation tax in respect of its next corporation tax payment;

"Preferential Ledger" means the ledger maintained by the Initial Borrower in accordance with **Clause 16.1(bb)(i)(B)** of the Issuer/Borrower Facility Agreement;

"Pre-set Increase" means an increase in any monetary amount by reference to the lower of the percentage increase in:

- (a) EBITDA; and
- (b) the UK retail prices index,

in each case in relation to the Financial Year of the relevant Obligor just ended relative to the preceding Financial Year;

"Principal Amount Outstanding" has the meaning ascribed thereto in **Condition**

5(e);

"Principal Coupon" means in respect of the Class A Notes, each bearer Principal Coupon in or substantially in the form set out in **Part D** of the **Second Schedule** to the Trust Deed, appurtenant to the Definitive Class A Notes and includes, where applicable, the Talons appurtenant thereto and any replacements for any Coupons or Talons issued pursuant to **Condition 13**;

"Principal Paying Agent" means Barclays Bank PLC or such other person from time to time appointed as the principal paying agent, subject to and in accordance with the terms of the Agency Agreement;

"Property Insurance Claim" has the meaning ascribed thereto in **Clause 16.1(c)(vii)** of the Issuer/Borrower Facility Agreement;

"Public Liability Insurance Claim" has the meaning ascribed thereto in **Clause 16.1(c)(ix)** of the Issuer/Borrower Facility Agreement;

"Qualifying Bank" means an institution which is beneficially entitled to interest payable under the Liquidity Facility Agreement, the Working Capital Facility Agreement or the Reserve Loan Agreement and is:

- (a) for the time being, a bank as defined for the purposes of Section 840A of the Income and Corporation Taxes Act 1988 and which is, at the time of any payment of interest to it pursuant to the Liquidity Facility Agreement, the Working Capital Facility Agreement or the Reserve Loan Agreement, beneficially entitled to any interest to be paid to it under such agreement and, for the purposes of Section 349 of the Income and Corporation Taxes Act 1988, within the charge to United Kingdom corporation tax as respects such interest; or
- (b) a bank lending through any branch or agency which is outside the United Kingdom if the bank is resident in a country with which the United Kingdom has an appropriate double taxation treaty pursuant to which that bank is entitled to receive principal, interest and fees under the Liquidity Facility Agreement, the Working Capital Facility Agreement or the Reserve Loan Agreement from the Issuer or any Obligor without withholding of United Kingdom income tax (and such bank has effectively claimed the benefit of such treaty in respect of such agreement so that the Issuer or relevant Obligor is not required to make any such withholding);

"Quotation Date" means, in relation to any period for which an interest rate is to be determined under the Transaction Documents, the day on which quotations would ordinarily be given on the relevant Telerate screen by prime banks in the London Interbank Market for deposits in sterling for delivery on the first day of that period, provided that, if for any such period, quotations would ordinarily be given on the relevant Telerate Screen or by prime banks in the London Interbank Market for deposits in sterling on more than one date, the Quotation Date for that period shall be the last of those dates;

"Rating Agencies" means the internationally recognised rating agencies currently rating the Notes (on a "solicited rating" basis) and which as at the Closing Date means DCR and Fitch;

"Ratings Test" means:

- (a) the Rating Agencies confirm that the then current ratings of the Notes will not be adversely affected by the relevant event or matter (the **"First Ratings Test"**); and
- (b)
 - (i) the Rating Agencies confirm that the Class A Notes, the Class B Notes and the Class C Notes, if issued by a Westminster Securitisation Group Entity (other than the Issuer) (and assuming that the Class B Notes and the Class C Notes were ranked *pari passu* with the Class A Notes) would be assigned a rating of at least 'AA' (or its equivalent) by the Rating Agencies notwithstanding the relevant event or matter;
 - (ii) the most recently reported DSCR was at least 1.5:1; and
 - (iii) the aggregate value (based on valuations by a firm of valuers acceptable to the Security Trustee at or immediately prior to the relevant time) of the WHC Security Group's assets is equal to or in excess of 200 per cent. of the aggregate of the then outstanding principal amount under the Issuer/Borrower Facility Agreement and the principal amounts drawn and the principal amounts available to be drawn under the Working Capital Facility Agreement (the **"Second Ratings Test"**),

and **"Ratings Test"** means either the First Ratings Test or the Second Ratings Test, as the context may require;

"Receiver" means any person or persons appointed (and any additional person or persons appointed or substituted) as administrative receiver, receiver, manager, or receiver and manager of the Issuer Charged Property or WHC Charged Property, by the Security Trustee under the Issuer Deed of Charge or WHC Debenture, respectively, as the context may require, or otherwise;

"Reconciliation Statements" means any Financial Statements prepared pursuant to **Clause 14.4** of the Issuer/Borrower Facility Agreement;

"Redemption Amount" has the meaning ascribed thereto in **Condition 5(c)**;

"Reference Banks" means the principal London office of each of Barclays Bank PLC, National Westminster Plc and HSBC Bank plc or any bank which replaces any of them;

"Registers of Scotland" means the Land Register of Scotland and/or the General Register of Sasines;

"Registration" means, in respect of the WHC Mortgaged Properties, the registration thereof under the Relevant Act;

"Relief Application Properties" means the WHC Mortgaged Properties or other assets of the Obligors in respect of which Relief Applications are outstanding or are proposed to be made as at the Closing Date and **"Relief Application Property"** means any of them;

"Relief Applications" means the applications for stamp duty relief under section 42 of the Finance Act 1930 (as amended) made by, *inter alios*, the Initial Borrower in respect of the Relief Application Properties;

"Relevant Act" means:

- (a) in respect of a Care Home located in England or Wales, the Registered Homes Act 1984; and
- (b) in respect of a Care Home located in Scotland, the Nursing Homes Registration (Scotland) Act 1938 (as amended) or (as applicable) the Social Work (Scotland) Act 1968;

"Relevant Certificate" has the meaning ascribed thereto in **Clause 17.5** of the Issuer/Borrower Facility Agreement;

"Relevant Contracts" means all those contracts in place between any Obligor and any third party which, by their terms, contain prohibitions on assignment and/or transfer and/or charging and/or sharing of possessions and/or rights and/or any disposition either absolutely or without the consent of the relevant third party where such consent has not been obtained from or has been refused by the relevant third party;

"Relevant Financial Indebtedness" means for the purposes of the definition of "Interest Charges", the financial indebtedness under the WHC Borrower Facility Agreements; and for any other purpose, financial indebtedness other than from one Obligor to another Obligor;

"Relevant Parties" means, in relation to a Transaction Document, the parties to that Transaction Document (as the case may be);

"Relevant Period" means the period of four Financial Periods ending on the date on which the relevant calculation falls to be made;

"Relevant Reports" means:

- (a) the Environmental Reports;
- (b) the Insurance Report; and
- (c) the Valuation Report (and related updated letter dated the Closing Date);

"Relevant Sections" means those sections of the Offering Circular headed:

- (a) "Transaction Summary Information" (up to but excluding the heading "Transaction Overview" on page 7 of the Offering Circular);
- (b) "Investment Considerations";
- (c) "Use of Proceeds";
- (d) "The Issuer";
- (e) "The Parent";

- (f) "The Borrower";
- (g) "The Close Care Landlords";
- (h) "The Long Term Care Market in the United Kingdom";
- (i) "The Westminster Securitisation Group";
- (j) "Financial Information"; and
- (k) "General Information";

"**repay**" includes "**redeem**" and vice versa and cognate expressions shall be construed accordingly;

"**Replacement Notes**" means any Notes issued pursuant to **Condition 16**;

"**Reports**" means:

- (a) the Environmental Reports;
- (b) the Insurance Report;
- (c) the Valuation Report;
- (d) the Certificates of Title;
- (e) the Laing & Buisson Letter; and
- (f) the Contracts Report;

"**Required Maintenance Expenditure Amount**" means £300 per registered bed in respect of each WHC Mortgaged Property (adjusted upwards only in accordance with the percentage increase in the UK retail prices increase) the first such adjustment to take effect on 1st January, 2005 and at five yearly intervals thereafter;

"**Requisite Rating**" means, in relation to the Liquidity Facility Provider, D-1+ by DCR and F-1+ by Fitch or such other short term rating as is commensurate with the equivalent long term rating assigned to the Class A Notes by the Rating Agencies from time to time or which is otherwise acceptable to such Rating Agencies;

"**Reservations**" means the qualifications as to matters of law contained in the Legal Opinions, including, without limitation, the principle that equitable remedies may be granted or refused at the discretion of a court, the limitation of enforcement by laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws generally affecting the rights of creditors, the time barring of claims under the Limitation Acts, the possibility that an undertaking to assume liability for or to indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim and similar principles;

"**Reserve Loan**" means the principal amount of the borrowing by the Initial Borrower under the Reserve Loan Agreement or the principal amount outstanding of that borrowing;

"Reserve Loan Agreement" means the loan agreement dated the Closing Date and made between the Reserve Loan Provider, the Initial Borrower and the Security Trustee;

"Reserve Loan Event of Default" means each of the events set out in **paragraph 17** of the Reserve Loan Agreement;

"Reserve Loan Facility" means the committed sterling term loan facility referred to in the Reserve Loan Agreement;

"Reserve Loan Interest Periods" means each of the periods determined pursuant to **paragraph 8** of the Reserve Loan Agreement;

"Reserve Loan Margin" means 2.5 % per annum;

"Reserve Loan Provider" means Barclays Bank PLC acting through its office at 5 The North Colonnade, Canary Wharf, London E14 4BB in its capacity as lender under the Reserve Loan Agreement;

"Reserve Loan Repayment Date" means the Loan Interest Payment Date falling in January 2004;

"Restricted Payment Condition" means:

- (i) if the DSCR calculated in accordance with **Clause 15** of the Issuer/Borrower Facility Agreement (but calculated as if the amount due in respect of the Initial Term Advances comprised within the Debt Service element thereof was that prevailing for the Loan Interest Payment Date falling in July 2004) exceeds the RP DSCR Trigger Level; and
- (ii) EBITDA for the Financial Period ended immediately prior to the proposed date of the relevant Restricted Payment was not less than 90 per cent. of the EBITDA in respect of the corresponding Financial Period in the immediately preceding financial year;

"Revolving Credit Facility" means the committed sterling revolving credit facility referred to in **Clause 2.1(a)(i)** of the Working Capital Facility Agreement;

"Revolving Credit Limit" means an amount which when aggregated with the then applicable Overdraft Net Limit does not exceed an aggregate principal amount equal to the Overdraft Gross Limit, to the extent not cancelled under the terms of the Working Capital Facility Agreement;

"Revolving Credit Loan" means the principal amount of each borrowing by a Borrower under the Revolving Credit Facility or the principal amount outstanding of that borrowing;

"RP DSCR Trigger Level" means, until the Loan Interest Payment Date falling in January 2020, **1.5:1**, and thereafter **1.75:1** (provided that the DCSR will be deemed not to be above **1.75:1** for these purposes if it has, on or after such date, been below **1.75:1** until it has been above such level for the six consecutive Financial Periods immediately preceding the date of the proposed making of the relevant payment);

"Scheduled A Repayment" means in respect of a Loan Interest Payment Date set out in **Column A** of **Schedule 2** to the Issuer/Borrower Facility Agreement and in respect of the Initial Borrower, the amount set out opposite that Loan Interest Payment Date in **Column B** of **Schedule 2** to the Issuer/Borrower Facility Agreement in relation to the Term A Facility (as amended from time to time);

"Scheduled New Repayment" has the meaning ascribed thereto in **Clause 8.5** of the Issuer/Borrower Facility Agreement;

"Scheduled Repayment" means the Scheduled A Repayment and the Scheduled New Repayment;

"Scottish Properties" means the WHC Mortgaged Properties situated in Scotland, details of which are set out in **Schedule 1** to the WHC Debenture and any other freehold, heritable or leasehold property located in Scotland being a WHC Mortgaged Property or Permitted Business which becomes subject to the WHC Debenture or WHC Standard Securities and **"Scottish Property"** means any of such WHC Mortgaged Property;

"Security Documents" means:

- (a) the WHC Debenture; and
- (b) the WHC Standard Securities,

and **"Security Document"** shall be construed accordingly;

"Security Trustee" means Prudential Trustee Company Limited or any other person or persons for the time being acting as the security trustee pursuant to the terms of, as applicable, the WHC Debenture or the Issuer Deed of Charge;

"Senior Liability" means a liability of the type referred to in **Clause 5.2(a)** to **(i)** (inclusive) of the Issuer Deed of Charge and **"Senior Liabilities"** shall be construed accordingly;

"Senior Liquidity Facility Amounts" means all amounts payable under the Liquidity Facility Agreement by the Issuer other than the Subordinated Liquidity Facility Amounts;

"Servicer" means Westminster Health Care Limited acting as such pursuant to the terms of the Servicing and Cash Management Agreement;

"Servicing and Cash Management Agreement" means the agreement dated the Closing Date made between the Issuer, the Security Trustee, the Servicer and the Issuer Account Bank pursuant to which the Servicer and the Issuer Account Bank have agreed to provide the Issuer and the Security Trustee with certain administration and cash management and bank account services, upon and subject to the terms set out therein;

"Solvency Certificate" means the certificate substantially in the form set out in the **Schedule 4** to the Issuer/Borrower Facility Agreement;

"Solvent Reorganisation" means a reconstruction or reorganisation of any Obligor

where the Obligor is not insolvent at the time of the reconstruction or reorganisation;

"Stamp Duty Reserve Amount" means the sum of £2,586,070, to be deposited into the Cash Reserve Account in accordance with the provisions of **Clause 16.7(a)(ii)** of the Issuer/Borrower Facility Agreement;

"Subordinated Creditor" means Westminster Health Care Group Limited as creditor under the Subordinated Debt Agreement;

"Subordinated Debt" means the amount of indebtedness outstanding from time to time and owed by the Initial Borrower to the Subordinated Creditor;

"Subordinated Debt Agreement" means the agreement dated the Closing Date made between, *inter alios*, the Initial Borrower and the Subordinated Creditor pursuant to which existing unsubordinated debt owed to the Subordinated Creditor by the Initial Borrower is converted into subordinated debt;

"Subordinated Liquidity Amounts" has the meaning ascribed thereto in **Clause 5.2** of the Issuer Deed of Charge;

"Subscription Agreement" means the agreement dated 29th October, 1999 between the Issuer, each Obligor and the Managers relating to the issue of, and subscription for, the Original Notes;

the **"Substitution Condition"** will be subsisting if the Rating Agencies confirm that the Class A Notes, the Class B Notes and the Class C Notes, if issued by a member of the Westminster Securitisation Group (and assuming that the Class A Notes and the Class B Notes ranked *pari passu* with the Class C Notes), would be assigned a rating of at least A (or its equivalent) by the Rating Agencies;

"Systems" means, in respect of an Obligor, that Obligor's computer systems and any related hardware or software and other electronic systems;

"Talons" means the talons (if any) appertaining to, and exchangeable in accordance with the provisions therein contained for further Coupons appertaining to a Definitive Note, such talons being in the form or substantially in the form set out in **Part C** of the **Second Schedule**, the **Third Schedule** and the **Fourth Schedule** to the Trust Deed or in such other form as may be agreed between the Issuer and the Principal Paying Agent and includes any replacements for Talons issued pursuant to **Condition 13**;

"Tax Deed of Covenant" means the deed of covenant in respect of certain tax and related matters to be entered into on the Closing Date between Westminster Health Care Holdings Limited, the Borrower, the Security Trustee, WHC (UK) Limited, Westminster Health Care Group Limited, Westminster Investments (UK) Limited, Westminster Health Care (NH) Limited and the other Covenantors (as defined therein);

"Taxes" means all present and future income and other taxes, levies, assessments, imposts, deductions, charges and withholdings whatsoever together with interest thereon, additions to tax and penalties and surcharges and fines with respect thereto, if any, (in all cases, only where imposed by a governmental, fiscal or other revenue authority) and any payments made on or in respect thereof and **"Tax"** and **"Taxation"** shall be construed accordingly;

"Temporary Global Notes" means the Class A Temporary Global Note, the Class B Temporary Global Note and, the Class C Temporary Global Note and any temporary global notes issued in respect of the New Notes or, as the context may require, any combination of the same;

"Term Advance" means a Term A Advance, Term B Advance or Term C Advance or, as the context may require, a Further Term Advance, or, as the context may require, a New Term Advance, and **"Term Advances"** means all of them or any combination of the same;

"Term A Advance" means, save as otherwise provided, an advance made by the Issuer under the Term A Facility;

"Term A Facility" shall bear the meaning ascribed to it in **Clause 2.1** of the Issuer/Borrower Facility Agreement;

"Term A Loan" means the aggregate principal amount for the time being outstanding under the Term A Facility;

"Term B Advance" means, save as otherwise provided, an advance made by the Issuer under the Term B Facility;

"Term B Facility" shall bear the meaning ascribed to it in **Clause 2.2** of the Issuer/Borrower Facility Agreement;

"Term B Loan" means the aggregate principal amount for the time being of the Term B Facility;

"Term C Advance" means, save as otherwise provided, an advance made by the Issuer under the Term C Facility;

"Term C Facility" shall bear the meaning ascribed to it in **Clause 2.3** of the Issuer/Borrower Facility Agreement;

"Term C Loan" means the aggregate principal amount for the time being of the Term C Facility;

"Term Facilities" means the Term A Facility, the Term B Facility, the Term C Facility, any Further Term Facility and any New Term Facility;

"Term Loan" means the Term A Loan, the Term B Loan, the Term C Loan and any New Term Loan, as the case may be;

"Term Outstandings" means, at any time, the aggregate principal amount of any Term Advance which has not been fully repaid at that time;

"Term Repayment Date" means, as the context may require, the Final Maturity Date in respect of the Term A Facility, the Term B Facility or the Term C Facility or the New Term Facility;

"Transaction Documents" means:

- (a) Issuer Deed of Charge;

- (b) Liquidity Facility Agreement;
- (c) Trust Deed;
- (d) Agency Agreement;
- (e) Servicing and Cash Management Agreement;
- (f) Financial Advisory and Asset Administration Agreement;
- (g) Global Notes;
- (h) Subordinated Debt Agreement;
- (i) Issuer/Borrower Facility Agreement;
- (j) Working Capital Facility Agreement;
- (k) Reserve Loan Agreement;
- (l) WHC Debenture;
- (m) WHC Bank Account Agreement;
- (n) WHC Standard Securities;
- (o) Close Care Service Agreements;
- (p) Tax Deed of Covenant; and
- (q) any other agreement or document, from time to time, agreed to be as such by the Security Trustee, the Issuer and the Initial Borrower;

"Treaty on European Union" means the Treaty of Rome of 25th March, 1957, as amended by the Single European Act 1986 and the Maastricht Treaty (which was signed at Maastricht on 7th February, 1992 and came into force on 1st November, 1993), as amended from time to time;

"trust corporation" means a corporation entitled by rules made under the Public Trustee Act 1906, or entitled pursuant to any comparable legislation applicable to a trustee in any jurisdiction, to carry out the functions of a custodian trustee;

"Trust Deed" means the trust deed dated the Closing Date between the Issuer and the Note Trustee constituting the Class A Notes, the Class B Notes and the Class C Notes together with any deed supplemental thereto;

"Unaudited Financial Statements" means the most recent unaudited financial statements of the Parent and the WHC Security Group, respectively, delivered pursuant to **Clause 14.2(b)** of the Issuer/Borrower Facility Agreement and, at the Closing Date, includes the interim (unaudited) financial statements of WHC Group Limited for the six months ended 30th November, 1998 and the unaudited *pro forma* profit and loss statement of the Initial Borrower for the years ended 31st May, 1998 and 31st May, 1999;

"Unit Resale" means the disposal of a Close Care Unit which is not a Vacant Close Care Unit in accordance with **Clause 16.5(c)(iii)** of the Issuer/Borrower Facility Agreement;

"Unpaid Amount" has the meaning ascribed thereto in **Clause 17.2** of the Issuer/Borrower Facility Agreement;

"Vacant Close Care Unit" means a Close Care Unit in respect of which there is no Close Care Tenant as at the Closing Date;

"Valuation Report" means the report dated 2nd November, 1999 of Conrad Ritblat, as updated by a letter dated the Closing Date relating to the valuation of the WHC Mortgaged Properties and upon which the Issuer, the Security Trustee, the Note Trustee and Lead Manager may rely;

"VAT" means value added tax as referred to in the Value Added Tax Act 1994 and legislation (whether delegated or otherwise) supplemental thereto or in any primary or subordinate legislation promulgated by the European Union or any official body or agency thereof, and any similar turnover tax replacing or introduced in addition to any of the same;

"Westminster Securitisation Group" means the Issuer, the Parent, the Close Care Landlords, the Initial Borrower and any other Borrower and/or Guarantor which becomes a direct or indirect subsidiary of the Parent;

"Westminster Securitisation Group Entity" means any entity comprised within the Westminster Securitisation Group;

"WHC Account Bank" means Barclays Bank PLC or such person or persons from time to time appointed as account bank, subject to and in accordance with the terms of the WHC Bank Account Agreement;

"WHC Bank Accounts" means the Operating Accounts, the Borrower Escrow Account, the CC Escrow Accounts, the Collection Accounts, the Interim Payment Account, the Cash Reserve Account and the Additional Reserve Account and **"WHC Bank Account"** means any one of them;

"WHC Bank Account Agreement" means the agreement dated the Closing Date made between the Initial Borrowers, each of the Close Care Landlords, the Security Trustee and the WHC Account Bank;

"WHC Borrower Facility Agreements" means:

the Issuer/Borrower Facility Agreement;

the Working Capital Facility Agreement; and

the Reserve Loan Agreement,

or any of them, as the context requires;

"WHC Borrower Facility Provider" means each of:

the Issuer;

the Working Capital Facility Provider; and

the Reserve Loan Provider,

or any of them, as the context requires;

"WHC Charged Property" means:

- (a) the Parent Charged Property;
- (b) the CC Charged Property; and
- (c) the Initial Borrower Charged Property,

or any of them, as the context requires;

"WHC Debenture" means the deed of charge dated on or about the date of this Schedule between the Obligors, the Issuer, the Working Capital Facility Provider, the WHC Account Bank and the Security Trustee pursuant to which the obligations and liabilities of the Obligors under the Issuer/Borrower Facility Agreement and the other Transaction Documents to which the Obligors are party, are secured;

"WHC Enforcement Notice" means a notice given by the Security Trustee in accordance with **Clause 17.9** of the Issuer/Borrower Facility Agreement;

"Event of Default" means, in relation to the Issuer/Borrower Facility Agreement, any of those events specified in **Clauses 17.3, 17.4, 17.5 and 17.8** of that agreement;

"WHC Mortgaged Properties" means the freehold and leasehold properties, the details of which are set out in **Schedule 1** to the WHC Debenture and the Scottish Properties which are subject to or intended to be subject to a first fixed charge or charge by way of legal mortgage or standard security in favour of the Security Trustee subject to and in accordance with the terms of the WHC Debenture or WHC Standard Securities as the case may be, and any other freehold, heritable or leasehold property acquired in the future by an Obligor which becomes subject to the same and **"WHC Mortgaged Property"** shall be construed accordingly;

"WHC Group Limited" means Westminster Health Care Group Limited, a company incorporated in England and Wales with limited liability (registered number 1580744) whose registered office is at Kings Court, 41-51 Kingston Road, Leatherhead, Surrey KT22 7SZ;

"WHC Pooling Agreement" means the letter dated the Closing Date between the WHC Account Bank and the Initial Borrower relating to the netting of the Netting Accounts;

"WHC Power of Attorney" means the security power of attorney granted by each Obligor pursuant to the WHC Debenture in substantially the form of **Schedule 4** to the WHC Debenture;

"WHC Secured Amounts" means the moneys and liabilities which each Obligor

covenants in **Clause 2.1** of the WHC Debenture to pay or discharge and all claims, demands and damages for breach of any such covenant, and references to the WHC Secured Amounts includes references to any of them and following substitution of the Issuer in accordance with **Clause 12.2** of the Issuer/Borrower Facility Agreement also includes the Issuer Secured Amounts;

"WHC Secured Creditors" means:

(a) prior to the substitution of the Issuer pursuant to **Clause 12.2** of the Issuer/Borrower Facility Agreement:

(i) Facility Agreement;

(ii) the Issuer;

(iii) the WHC Account Bank;

(iv) the Subordinated Creditor;

(v) the Working Capital Facility Provider;

(vi) any Receiver appointed under the WHC Debenture;

(vii) the Security Trustee; and

(viii) the Reserve Loan Provider; and

(b) upon the substitution of the Issuer pursuant to **Clause 12.2** of the Issuer/Borrower Facility Agreement:

(i) the Issuer Secured Creditors;

(ii) WHC Account Bank;

(iii) the Subordinated Creditor;

(iv) the Working Capital Facility Provider (to the extent the Working Capital Facility has not been cancelled and repaid in full);

(v) any Receiver appointed under the WHC Debenture;

(vi) the Security Trustee; and

(vii) the Reserve Loan Agreement;

and **"WHC Secured Creditor"** means any of them;

"WHC Security" means the security from time to time constituted by or pursuant to the WHC Debenture and the WHC Standard Securities;

"WHC Security Group" means the Obligors and any other Westminster Securitisation Group Entity that grants security to the Security Trustee pursuant to the WHC Debenture or the WHC Standard Securities;

"WHC Security Group Entity" means any entity comprised within the WHC Security Group;

"WHC Standard Security" means each and any standard security granted over a Scottish Property in substantially the form of **Schedule 7** to the WHC Debenture pursuant to **Clause 4.13** of the WHC Debenture and **"WHC Standard Securities"** means all of them from time to time;

"WHC (UK) Limited" means Westminster Health Care (UK) Limited, a company incorporated in England and Wales with limited liability (registered number 03738097) whose registered office is at Kings Court, 41-51 Kingston Road, Leatherhead, Surrey KT22 7SZ;

"Withholding Tax Reserve Amount" means the sum of £4,384,620, to be deposited into the Cash Reserve Account in accordance with the provisions of **Clause 16.7(a)(iii)** of the Issuer/Borrower Facility Agreement;

"Working Capital Facility" means the Revolving Credit Facility and the Overdraft Facility;

"Working Capital Facility Agreement" means the agreement dated the Closing Date between the Working Capital Facility Provider, the Security Trustee and the Obligors pursuant to which the Working Capital Facility Provider agreed to provide the Working Capital Facility to the Borrower(s);

"Working Capital Facility Commitment" means £3,000,000 to the extent not cancelled, transferred or reduced under the Working Capital Facility Agreement;

"Working Capital Facility Commitment Period" means the period from the date of the Working Capital Facility Agreement up to and including the Working Capital Facility Term Date;

"Working Capital Facility Default" a Working Capital Facility Event of Default or an event which, with the giving of notice, lapse of time, determination of materiality or fulfilment of any other applicable condition (or any combination of the foregoing), would constitute a Working Capital Facility Event of Default;

"Working Capital Facility Documents" means the Working Capital Facility Agreement, the WHC Debenture, any Borrower Accession Agreement, any Guarantor Accession Agreement, the WHC Pooling Agreement, the letter dated the same date as the Working Capital Facility Agreement relating to the fees payable under **Clause 19** of the Working Capital Facility Agreement or any other document designated as such by the Working Capital Facility Provider and the Initial Borrower;

"Working Capital Facility Event of Default" an event specified as such in **Clause 18.1** of the Working Capital Facility Agreement;

"Working Capital Facility Final Maturity Date" means, subject to **Clause 6.2** of the Working Capital Facility Agreement, the seventh anniversary of the Closing Date;

"Working Capital Facility Loan" means, subject to **Clause 8** of the Working Capital Facility Agreement, the principal amount of each borrowing by a Borrower under the

Revolving Credit Facility or the Overdraft Facility or the principal amount outstanding of that borrowing;

"Working Capital Facility Parties" means the parties to the Working Capital Facility Agreement;

"Working Capital Facility Provider" means Barclays Bank PLC acting through its branch at 71 Grey Street, Newcastle-upon-Tyne NE99 1JP;

"Working Capital Facility Request" means a request made by a Borrower for a Working Capital Facility Loan, substantially in the form set out in **Schedule 3** to the Working Capital Facility Agreement;

"Working Capital Facility Term Date" means the date falling one month before the Working Capital Facility Final Maturity Date; and

"Working Capital Margin" means 1.5 per cent. per annum.

1.2 Any reference in any Transaction Document to:

"affiliate" or **"Affiliate"** of any person shall be construed as a reference to the ultimate holding company of that person or an entity of which that person or its ultimate holding company (a) has direct or indirect control or (b) owns directly or indirectly more than fifty per cent. (50%) of the share capital or similar rights of ownership;

a document in **"agreed form"** or **"on agreed terms"** is so if it is initialled for the purposes of identification as such by or on behalf of the relevant parties thereto;

on **"arm's-length terms"** means on terms that are fair and reasonable to the relevant member of the WHC Security Group and no more favourable to the relevant person (being the other party to the relevant transaction) than could reasonably be expected to be obtained in a comparable commercial transaction with a person which is not an affiliate of the relevant member of the WHC Security Group;

the **"assets"** of any person shall be construed as a reference to the whole or any part of its business, undertakings, property, intellectual property, shares, securities, debts, accounts, revenues (including any right to receive revenues), goodwill, shareholdings and uncalled capital including premium whether now or hereafter acquired and any other assets whatsoever;

a **"Clause"** shall, subject to any contrary indication, be construed as a reference to a clause in the particular relevant document to which it refers;

"control" means to:

- (a) cast or control the casting of more than one-half of the maximum number of votes that might be cast at a general meeting of the body corporate; or
- (b) appoint or remove all, or the majority, of the directors of the body corporate (and the relevant person or persons shall be deemed to have power to make such an appointment if:
 - (i) an individual cannot be appointed as a director of the body corporate without the exercise by the relevant person or persons of such power in the individual's

favour; or

- (ii) an individual's appointment as a director of the body corporate follows necessarily from the individual being a director or other officer of any of the relevant person or persons); or
- (c) to give directions with respect to the operating and financial policies of the body corporate which the directors of the body corporate are obliged to comply with; or
- (d) the holding of more than one-half of the issued share capital of the body corporate (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital);

"default rate" has the meaning

- (a) in relation to the Liquidity Facility Agreement, ascribed thereto in **Clause 7.4** of the Liquidity Facility Agreement; and
- (b) in relation to the Working Capital Facility Agreement, ascribed thereto in **Clause 9.3** of the Working Capital Facility Agreement;

"disposal" shall be construed as any sale, lease, transfer, conveyance, assignment, assignation, licence, sub-licence or other disposal and dispose shall be construed accordingly;

"going concern" shall be construed in accordance with the Accounting Principles;

a **"guarantee"** means any guarantee, bond, indemnity, letter of credit, third party security or other legally binding assurance against financial loss granted by one person in respect of any indebtedness of another person, or any agreement to assume any indebtedness of any other person or to supply funds or to invest in any manner whatsoever in such other person by reason of, or otherwise in relation to, indebtedness of such other person;

"indebtedness" shall be construed so as to include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

"legal person" shall be construed as a reference to any person having separate legal personality under the jurisdiction of its incorporation or establishment;

"loans" shall be construed so as to include, without limitation, any transaction or arrangement pursuant to which any Financial Indebtedness is or may be owed by or to any member of the Westminster Securitisation Group to or by any other person;

a **"month"** is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month save that, where any such period would otherwise end on a day which is not a business day, it shall end on the next business day, unless that day falls in the calendar month succeeding that in which it would otherwise have ended, in which case it shall end on the preceding business day PROVIDED that, if a period starts on the last business day

in a calendar month or if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last business day in that later month (and references to months shall be construed accordingly);

a "**Part**" shall, subject to any contrary indication, be construed as a reference to a part of the Transaction Document;

a "**person**" shall be construed as a reference to any person, firm, company, body corporate, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;

a "**Schedule**" shall, subject to any contrary indication, be construed as a reference to a schedule to the particular Transaction Document to which it refers;

a "**subsidiary**" of a legal person shall be construed as a reference to any legal person:

- (i) which is controlled, directly or indirectly, by the first-mentioned legal person;
- (ii) more than half the issued share capital (or equivalent right of ownership) of which is beneficially owned, directly or indirectly, by the first-mentioned legal person; or
- (iii) which is a subsidiary of another subsidiary of the first-mentioned legal person,

and, for these purposes, a legal person shall be treated as being controlled by another if that other legal person is able to direct its affairs and/or to control the composition of its board of directors or equivalent body;

a "**wholly-owned subsidiary**" of a company or corporation shall be construed as a reference to any company or corporation which has no other members except that other company or corporation and that other company's or corporation's wholly-owned subsidiaries or persons acting on behalf of that other company or corporation or its wholly-owned subsidiaries; and

the "**winding-up**", "**dissolution**" or "**administration**" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, bankruptcy, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors.

"£", "**sterling**" or "**pounds sterling**" denotes the lawful currency of the United Kingdom.

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 01946682

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A WBC DEBENTURE DATED 5th NOVEMBER 1999 BETWEEN THE INITIAL BORROWER, THE PARENT, THE ISSUER, THE CLOSE CARE LANDLORDS, THE WORKING CAPITAL FACILITY PROVIDER, THE WHC ACCOUNT BANK, THE SUBORDINATED CREDITOR, THE SECURITY TRUSTEE AND SPV MANAGEMENT LIMITED. DATED THE 5th NOVEMBER 1999 AND CREATED BY WESTMINSTER HEALTH CARE LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO PRUDENTIAL TRUSTEE COMPANY LIMITED (THE "SECURITY TRUSTEE"). UNDER THE TERMS OF THE WHC DEBENTURE AND THE TRANSACTION DOCUMENTS WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 24th NOVEMBER 1999.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 30th NOVEMBER 1999.

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THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



C O M P A N I E S H O U S E