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COMPANIES FORM No. 395

Particulars of a mortgage or charge

189341 / 6455
395

CHFP025

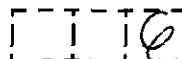
A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number



03982134

Name of company

* Priory Securitisation Limited (the **Chargor**)

Date of creation of the charge

9 November 2005

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

A Security Agreement dated 9 November 2005 (the **Deed**) between, amongst others, the **Chargor** and the **Facility Agent** (as defined below).

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Finance Party under each Finance Document to which an Obligor is a party, except for any obligation which, if it were so included, would result in the Deed contravening Section 151 of the Companies Act 1985 (the **Secured Liabilities**).

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

ABN AMRO Bank N.V., London Branch, 250 Bishopsgate, London (the **Facility Agent**).

Postcode EC2M 4AA

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

Allen & Overy LLP
One New Change
London
EC4M 9QQ

CEB/AHD BK: 3434963.1

Time critical reference

For official Use (02/00)
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

Please see attached continuation sheets.

Please do not
write in
this margin

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

Particulars as to commission allowance or discount (note 3)

Nil.

Signed Allen & Overy LLP

Date 22 November 2005

On behalf of ~~XXXXXXXXXXXXXXXXXXXX~~ [chargee] †

*A fee 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 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED

1. CREATION OF SECURITY

1.1 General

- (a) All the security created under the Deed:
- (i) is created in favour of the Facility Agent;
 - (ii) is created over present and future assets of the Chargor;
 - (iii) is security for the payment of all the Secured Liabilities; and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) If the rights of the Chargor under a document cannot be secured without the consent of a party to that document:
- (i) the Chargor must notify the Facility Agent promptly;
 - (ii) this Security will secure all amounts which the Chargor may receive, or has received, under that document but exclude the document itself; and
 - (iii) unless the Facility Agent otherwise requires, the Chargor must use reasonable endeavours to obtain the consent of the relevant party to that document being secured under the Deed.
- (c) The Facility Agent holds the benefit of the Deed on trust for the Finance Parties.

1.2 Land

- (a) The Chargor charges:
- (i) by way of a first legal mortgage all estates or interest in any freehold or leasehold property now owned by it; this includes the real property (if any) specified in Schedule 1 (Real Property) to this Form 395 opposite its name but does not include the Short Leasehold Properties or the Thornford Property; and
 - (ii) (to the extent that they are not the subject of a mortgage under subparagraph (i) above) by way of first fixed charge all estates or interests in any freehold or leasehold property other than the Short Leasehold Properties and the Thornford Property,
- but in each case excluding any estates or interests in any freehold or leasehold property situated in Scotland.
- (b) A reference in this Subclause to a mortgage or charge of any freehold or leasehold property includes:
- (i) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
 - (ii) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

1.3 Investments

(a) The Chargor charges:

- (i) by way of a first legal mortgage all shares in any member of the Group (other than itself) owned by it or held by any nominee on its behalf; this includes the shares specified in Schedule 3 (Shares) to this form 395 opposite its name; and
- (ii) (to the extent that they are not the subject of a mortgage under subparagraph (i) above) by way of a first fixed charge its interest in all shares, stocks, debentures, bonds or other securities and investments owned by it or held by any nominee on its behalf.

(b) A reference in this Subclause to a mortgage or charge of any stock, share, debenture, bond or other security includes:

- (i) any dividend or interest paid or payable in relation to it; and
- (ii) any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.

1.4 Plant and machinery

The Chargor charges by way of a first fixed charge all plant and machinery owned by it and its interest in any plant or machinery in its possession.

1.5 Insurances

Subject, in the case of buildings insurance only, to the interests of Propco under the Lease, the Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest.

1.6 Intellectual property

The Chargor charges by way of a first fixed charge, all of its rights in respect of:

- (a) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right; this includes the patents and trademarks specified in Schedule 4 (Intellectual Property Rights) to this form 395 opposite its name;
- (b) any copyright or other intellectual property monopoly right; or
- (c) any interest (including by way of licence) in any of the above,

in each case whether registered or not and including all applications for the same.

1.7 Miscellaneous

The Chargor charges by way of first fixed charge:

- (a) any beneficial interest, claim or entitlement it has in any pension fund;
- (b) its goodwill;

- (c) the benefit of any authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- (d) the right to recover and receive compensation which may be payable to it in respect of any authorisation referred to in paragraph (c) above; and
- (e) its uncalled capital.

1.8 Floating charge

- (a) The Chargor charges by way of a first floating charge all its assets not at any time otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under this Clause except:
 - (i) the Short Leasehold Properties;
 - (ii) the Thornford Property; and
 - (iii) in the case of PHL, the Glasgow Property Interests.
- (b) Except as provided below, the Facility Agent may by notice the Chargor convert the floating charge created by the Chargor under this Subclause into a fixed charge as regards any of the Chargor's assets specified in that notice, if:
 - (i) an Event of Default is outstanding; or
 - (ii) the Facility Agent considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- (c) The floating charge created by this Subclause may not be converted into a fixed charge solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,under the Insolvency Act 2000.
- (d) The floating charge created by this Subclause will automatically convert into a fixed charge over all of the Chargor's assets if an administrator is appointed or the Facility Agent receives notice of an intention to appoint an administrator.
- (e) The floating charge created by this Subclause is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

2. RESTRICTIONS ON DEALINGS

- (a) The Chargor may not:
 - (i) create or permit to subsist any Security Interest on any Security Asset; or
 - (ii) sell, transfer, licence, lease or otherwise dispose of any Security Asset,except as expressly allowed under the Credit Agreement.

- (b) The Chargor may not, without the written consent of the Facility Agent, take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered or further shares in the relevant member of the Group being issued.

3. VOTING RIGHTS

- (a) Before this Security becomes enforceable:
- (i) the voting rights, powers and other rights in respect of the Investments must (if exercisable by the Facility Agent) be exercised in any manner which the relevant Chargor may direct in writing; and
 - (ii) all dividends or other income paid or payable in relation to any Investments must be paid directly to the relevant Chargor.

The Chargor must indemnify the Facility Agent against any loss liability incurred by the Facility Agent as a consequence of the Facility Agent acting in respect of the Investments on the direction of the Chargor.

- (b) After this Security has become enforceable, the Facility Agent may exercise (in the name of the relevant Chargor and without any further consent or authority on the part of the relevant Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise.

4. CONSTRUCTION

- (a) Capitalised terms defined in the Credit Agreement have, unless expressly defined in the Deed, the same meaning in the Deed.
- (b) The provisions of clause 1.2 (Construction) of the Credit Agreement apply to the Deed as though they were set out in full in Deed, except that references to the Credit Agreement will be construed as references to the Deed.
- (c) (i) The term **Finance Document** includes all amendments and supplements including supplements providing for further advances; and
- (ii) the term **this Security** means any security created by the Deed.
- (d) Any covenant of the Chargor under the Deed (other than a payment obligation) remains in force during the Security Period.
- (e) The terms of the other Finance Documents and of any side letters between any Parties in relation to any Finance Document are incorporated in the Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in the Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) If the Facility Agent considers that an amount paid to a Finance Party under a Finance Document is reasonably likely to be capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of the Deed.
- (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.

In this Form 395:

Accession Agreement means a letter, substantially in the form of schedule 7 (Form of Accession Agreement) to the Credit Agreement, with such amendments as the Facility Agent and the Chargor may agree.

Additional Borrower means an Additional Capex Borrower or an Additional Working Capital Borrower.

Additional Capex Borrower means a member of the Group which becomes a Capex Borrower after the date of the Credit Agreement.

Additional Guarantor means a member of the Group which becomes a Guarantor after the date of the Credit Agreement.

Additional Obligor means an Additional Borrower or an Additional Guarantor.

Additional Working Capital Borrower means a member of the Group which becomes a Working Capital Borrower after the date of the Credit Agreement.

Administrative Party means the Arranger, the Issuing Bank or the Facility Agent.

Agreement for Lease means any agreement by any Capex Borrower to grant a Lease of all or part of its interest in any Property.

Arranger means ABN AMRO Bank N.V., London Branch.

Capex Borrower means an Original Capex Borrower or an Additional Capex Borrower.

Credit Agreement means the £120,000,000 capital expenditure and working capital facilities agreement dated 19 October 2005 between (among others) Priory Securitisation Limited and the Facility Agent as amended and restated by a supplemental agreement dated 8 November 2005.

Event of Default means an event specified as such in Clause 24 (Default) of the Credit Agreement.

Existing Property means a real estate asset of the Group listed in schedule 11 (Existing Property) to the Credit Agreement.

Fanplate means Fanplate Limited (registered in England and Wales number 05347672).

Fee Letter means any letter entered into by reference to the Credit Agreement between one or more Administrative Parties and the Chargor setting out the amount of certain fees referred to in the Credit Agreement.

Finance Document means:

- (a) the Credit Agreement;
- (b) a Security Document;
- (c) a Subordination Agreement;
- (d) a Fee Letter;

Priory Securitisation Limited (registered in England and Wales under number 03982134)
Continuation Sheet 6

- (e) the Hedging Letter;
- (f) a Transfer Certificate;
- (g) an Accession Agreement;
- (h) a Resignation Request;
- (i) a Hedging Document; or
- (j) any other document designated as such by the Facility Agent and the Chargor.

Finance Party means a Lender, an Administrative Party or a Hedging Bank.

Glasgow Property Interests means the part freehold, part leasehold interests of PHL in subjects at 38 and 40 Mansion House Road, Glasgow registered in the Land Register of Scotland under title numbers GLA124773 and GLA108784.

Group means the Chargor and its Subsidiaries and Fanplate and its Subsidiaries.

Guarantor means the Chargor, an Original Guarantor or an Additional Guarantor.

Hedging Bank means any person which becomes a party to the Credit Agreement as a Hedging Bank under clause 32.9 (Hedging Banks) of the Credit Agreement in its capacity as provider of hedging arrangements under Hedging Documents.

Hedging Documents means any ISDA master agreement and other interest hedging agreements or documents which may be entered into by a member of the Group in connection with the hedging of interest payable under the Finance Documents.

Hedging Letter means a letter dated on or about the date of the Credit Agreement between the Chargor and the Facility Agent relating to the interest rate hedging to be effected by the Group.

Investments means:

- (a) the Shares;
- (b) all other shares, stocks, debentures, bonds or other securities and investments included in the definition of Security Assets in clause 1.1 (Definitions) of the Deed;
- (c) any dividend or interest paid or payable in relation to any of the above; and
- (d) any right, money or property accruing or offered at any time in relation to any of the above by way of redemption, substitution, exchange, bonus or preference under option rights or otherwise.

Issuing Bank means ABN AMRO Bank N.V., London Branch.

Lease means any present or future lease, underlease, sub-lease, licence, tenancy or right to occupy in each case howsoever described whether on a fixed term or periodic basis governing the use or occupation of any freehold or leasehold property or any part of it and includes any Agreement for Lease.

Lender means:

- (a) the Original Lender; or

(b) any person which becomes a Lender after the date of the Credit Agreement.

Obligor means an Original Obligor or an Additional Obligor.

Original Borrower means an Original Capex Borrower or an Original Working Capital Borrower.

Original Capex Borrowers means the entities listed in schedule 1 (Original Parties) to the Credit Agreement as original capex borrowers.

Original Guarantors means the entities listed in schedule 1 (Original Parties) to the Credit Agreement.

Original Lender means the financial institution listed in schedule 1 (Original Parties) to the Credit Agreement as original lender.

Original Obligor means the Chargor, an Original Borrower or an Original Guarantor.

Original Working Capital Borrowers means the entities listed in schedule 1 (Original Parties) to the Credit Agreement as original working capital borrowers.

PHL means Priory Healthcare Limited.

Propco means Priory Finance Property LLP (registered in England and Wales number OC315650).

Property means:

- (a) each Existing Property; and
- (b) any other present or future freehold or leasehold property in which a member of the Group has or acquires or will acquire an interest.

Resignation Request means a letter in the form of schedule 8 (Form of Resignation Request) to the Credit Agreement, with such amendments as the Facility Agent and the Chargor may agree.

Security Agreement means:

- (a) the Deed; and
- (b) any standard security granted by an Obligor in favour of the Facility Agent relating to a Property situated in Scotland.

Security Assets means all assets of the Chargor the subject of any security created by the Deed.

Security Document means:

- (a) each Security Agreement; or
- (b) any other document evidencing or creating security over any asset of an Obligor to secure any obligation of any Obligor to a Finance Party under the Finance Documents.

Security Interest means any mortgage, pledge, lien, charge, assignment, assignation, hypothecation or security interest or any other agreement or arrangement having a similar effect.

Security Period means the period beginning on the date of the Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

Priory Securitisation Limited (registered in England and Wales under number 03982134)
Continuation Sheet 8

Shares means the Shares listed in Schedule 3 (Shares) to this form 395.

Short Leasehold Properties means each of the properties listed in Schedule 2 (Short Leasehold Properties) to this form 395.

Subordination Agreement means the subordination agreement entered into or to be entered into between, among others, the Facility Agent, each Obligor and certain other members of the Group on or about the date of the Credit Agreement or any other subordination agreement entered into by (amongst others) members of the Group and the Facility Agent subordinating the rights of creditors or members of the Group to the rights of the Finance Parties under the Finance Documents.

Subsidiary means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting capital or similar right of ownership and **control** for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise.

Thornford Property means all that land owned by Blenheim Healthcare Limited comprising an athletics track at Thornford Park, Crookham Common, Thatcham, Berkshire RG19 8ET being the remainder of the land comprised in Title number BK335895 except for the land transferred on or about the date of this Deed by PHL to Priory Finance Property LLP.

Transfer Certificate means a certificate, substantially in the form of schedule 5 (Form of Transfer Certificate), to the Credit Agreement, with such amendments as the Facility Agent may approve or reasonably require or any other form agreed between the Facility Agent and the Chargor.

Working Capital Borrower means an Original Working Capital Borrower or an Additional Working Capital Borrower.

SCHEDULE 1
REAL PROPERTY

PROPERTY (full address)	TENURE	TITLE NUMBER	REGISTERED PROPRIETOR/OWNER/ LESSEE
All that land at Ticehurst House, Ticehurst, Wadhurst, East Sussex TN5 7HU being the remainder of the land comprised in Title number ESX235200 except for the land transferred by a transfer on or about the date of this Deed by Priory Healthcare Limited to Priory Finance Property LLP	Freehold	ESX235200	Priory Healthcare Limited
Filterbed at Burnt Lodge Lane, Ticehurst, Wadhurst	Freehold	ESX268934	Ticehurst House Private Clinic Limited
Condover Hall and Two Acre Cottage, Condover, Shrewsbury, Shropshire	Freehold	SL165532, SL168041	Priory Education Services Limited
Flat 5 Eaton House, 39- 40 Upper Grosvenor Street, London W1K 2NG	65 year leasehold expiring 22 December 2034	NGL207266	Farm Place Limited
Priory House, Randalls Research Park, Leatherhead, Surrey	Short leasehold	Unregistered	Priory Central Services Limited
Bristol Grange Heath House Lane Off Bell Road Bristol BS16 1EQ	Lease		Highbank Private Hospital Limited
Altrincham Rappax Road Altrincham Cheshire WA15 ONX	Lease		Priory Healthcare Limited
Chelmsford Stump Lane Springfield Chelmsford SM1 5SJ	Lease		Priory Healthcare Limited

PROPERTY (full address)	TENURE	TITLE NUMBER	REGISTERED PROPRIETOR/OWNER/ LESSEE
Farm Place and Coach House Stane Street Ockley Dorking RH5 5NG	Lease		Priory Healthcare Limited
Hayes-Grove Prestons Road Hayes Bromley BR2 7AS	Lease		Priory Healthcare Limited
Sackville Gardens, Hove 22-24 Sackville Gardens Hove West Sussex BN3 4GH	Lease		Priory Healthcare Limited
Lancashire Rosemary Lane Bartle Preston PR4 OHB	Lease		Priory Healthcare Limited
Marchwood Hythe Road Marchwood Southampton SO40 4WU	Lease		Priory Healthcare Limited
North London The Bourne Southgate London N14 6RA	Lease		Priory Healthcare Limited
Nottingham Ransom Road Nottingham NG3 5GS	Lease		Priory Healthcare Services Limited
Roehampton Priory Lane Roehampton London SW15 5JJ	Lease		Priory Healthcare Limited
Ticehurst House Ticehurst Wadhurst East Sussex TN5 7BW	Lease		Priory Healthcare Limited
Woking Chobham Road Knaphill Woking GU21 2QF	Lease		Priory Healthcare Limited

Priory Securitisation Limited (registered in England and Wales under number 03982134)
Continuation Sheet 11

PROPERTY (full address)	TENURE	TITLE NUMBER	REGISTERED PROPRIETOR/OWNER/ LESSEE
Woodbourne 21 Woodbourne Road Edgbaston Birmingham B17 8BY	Underlease		Priory Healthcare Limited
New Church Road, Hove 14-18 New Church Road Hove West Sussex BN3 4FH	Lease		Priory Healthcare Limited
Chelfham Bere Alston West Devon PL20 7EX	Lease		Chelfham Senior School Limited
Eastwood Grange Milken Lane Ashover Derbyshire S45 OBA	Lease		Eastwood Grange Company Limited
Eden Grove Bolton Appleby Cumbria CA16 6QJ	Underlease		Priory Education Services Limited
Farleigh College Newbury House Mells Frome BA11 3RG	Lease		Farleigh Schools Limited
Farleigh FEC- Frome North Parade Frome Somerset BA11 2HB	Lease		Farleigh Schools Limited
North Hill House (Stoneleigh) Fromefield Frome Somerset BA11 2HB	Lease		Farleigh Schools Limited
Farleigh FEC – Swindon 105 Bath Road Swindon SN1 4AX	Lease		Farleigh Schools Limited
Horizon Blithbury Rugeley Staffordshire WS15 3JQ	Lease		Autism (GB) Limited
Jacques Hall Harwich Road	Underlease		Priory Education Services

Priory Securitisation Limited (registered in England and Wales under number 03982134)
Continuation Sheet 12

PROPERTY (full address)	TENURE	TITLE NUMBER	REGISTERED PROPRIETOR/OWNER/ LESSEE
Bradfield Essex CO11 2XW			Limited
Rookery House Wells Road Radstock Bath BA3 3RS	Lease		Farleigh Schools Limited
Rossendal School Bamford Road Ramsbottom Lancashire BLO ORT	Lease		Rosendale Schools Limited
Sheridan House Southburgh Thetford Norfolk IP25 7TJ	Underlease		Priory Education Services Limited
Solutions Hope Under Dinmore Leominster Herefordshire HR6 OPW	Lease		Solutions (Llangarron) Limited
Tadley Court Tadley Common Road Tadley Hampshire RG26 3TB	Underlease		Priory Education Services Limited
Mark College Blackford Road Highbridges Somerset	Lease		Mark College Limited
Egerton Road 18 Egerton Road Bexhill on Sea East Sussex TN39 3HH	Lease		Priory Rehabilitation Services Limited
Bristol Heath House Lane Off Bell Road Bristol BS16 1EQ	Lease		Priory Healthcare Limited
Highbank Walmersley Road Bury BL9 5LX	Lease		Priory Rehabilitation Services Limited
Sketchley Hall Manor Way Burbage Leicestershire LE10 3HT	Lease		Priory Rehabilitation Services Limited

Priory Securitisation Limited (registered in England and Wales under number 03982134)
Continuation Sheet 13

PROPERTY (full address)	TENURE	TITLE NUMBER	REGISTERED PROPRIETOR/OWNER/ LESSEE
Unsted Park Munstead Heath Godalming Surrey GU7 1UW	Lease		Priory Rehabilitation Services Limited
Vines Innham Wood Crowborough East Sussex TN6 1TE	Lease		Priory Rehabilitation Services Limited
Grange Potters Bar 190 Barnet Road Potters Bar Hertfordshire EB6 2SE	Lease		Decklamp Limited
Grange Heathfield Tottingworth Park Heathfield East Sussex TN21 8UN	Lease		Priory Rehabilitation Services Limited
Grange Hemel Hempstead Longcroft Lane Hemel Hempstead HP3 OBN	Lease		Priory Rehabilitation Services Limited
Grange St Neots Eynesbury St Neots Cambridgeshire PE19 2JA	Lease		Decklamp Limited
Chadwick Lodge Chadwick Drive Eagleston Milton Keynes MK6 5LS	Lease		Blenheim Healthcare Limited
Sturt Sturts Lane Walton on the Hill Surrey KT20 7RQ	Lease		Priory Healthcare Limited
Thornford Park Crookham Common Thatcham Berkshire RG19 8ET	Lease		Blenheim Healthcare Limited

SCHEDULE 2

SHORT LEASEHOLD PROPERTIES

PROPERTY (full address)	TENURE	TITLE NUMBER	REGISTERED PROPRIETOR/OWNER/ LESSEE
16 Delta Close, Frome BA11 3AH	Short leasehold	Unregistered	Priory Medical Group
Portacabin, Swindon College, Star Avenue, Swindon	Short leasehold	Unregistered	Farleigh Schools Limited
Buckfields, 14 Matilda Close, Ross-on-Wye	Short leasehold	Unregistered	Solutions (Llangarron) Limited
The Business Centre, Llangarron	Short leasehold	Unregistered	Solutions (Llangarron) Limited
The Training Centre, Llangarron	Short leasehold	Unregistered	Solutions (Llangarron) Limited
2 Birtletons, Upton Bishop, Ross-on-Wye HR4	Short leasehold	Unregistered	Solutions (Llangarron) Limited
Trecorras Cottage, Llangarron, Ross-on- Wye, Hertfordshire	Short leasehold	Unregistered	Solutions (Ross) Limited
The Priory Clinic, 92B Broad Street, Canterbury, Kent CT1 2LU	Short leasehold	Unregistered	Priory Healthcare Limited
Priory Consulting Rooms, 2 Clarendon Road, Westbourne, Bournemouth BH4 8AH	Short leasehold	Unregistered	Priory Healthcare Limited

SCHEDULE 3

SHARES

Charging Company	Description of Shares held	Company in which Shares are held
Priory Education Services Limited	Ordinary – 2,070,200	Autism (GB) Limited
Priory Securitisation Limited	Ordinary A – 1,190,085,000 Ordinary B – 15,000	Blenheim Healthcare Limited
Decklamp Limited	Ordinary – 1	Brookdale Healthcare (Potters Bar) Limited
Decklamp Limited	Ordinary – 1	Brookdale Healthcare (St Neots) Limited
Priory Education Services Limited	Ordinary – 1,100	Chelfham Senior School Limited
Fanplate Limited	Ordinary – 1	Decklamp Limited
Priory Education Services Limited	Ordinary – 90,000	Eastwood Grange Company Limited
Priory Education Services Limited	Ordinary – 2	Farleigh Schools Limited
Priory Healthcare Limited	Ordinary – 2	Farm Place Limited
Priory Securitisation Limited	Ordinary – 100	Highbank Private Hospital Limited
Priory Securitisation Limited	Ordinary – 2	Jacques Hall Development Limited
Priory Securitisation Limited	Ordinary – 2	Jacques Hall Limited
Priory Securitisation Limited	Ordinary – 200	Libra Health Limited
Libra Health Limited	Ordinary – 200	Libra Nursing Homes Limited
Priory Education Services Limited	Ordinary – 1	Mark College Limited
Farleigh Schools Limited	Ordinary – 1	North Hill House Limited
Priory Securitisation Limited	Ordinary – 301,263	Priory Central Services Limited
Priory Securitisation Limited	Ordinary – 428,002	Priory Education Services Limited
Priory Securitisation Limited	Class A shares – 86,031,339 Class B shares – 10 Preference shares –	Priory Healthcare Holdings Limited

Priory Securitisation Limited (registered in England and Wales under number 03982134)
Continuation Sheet 16

Charging Company	Description of Shares held	Company in which Shares are held
	13,593,413 Special shares – 30,412,224 Total: 130,036,986	
Priory Securitisation Limited	Ordinary – 2,759,689	Priory Healthcare Limited
Priory Healthcare Limited	Ordinary – 2	Priory Healthcare Services Limited
Priory Education Services Limited	Ordinary B – 20	Priory Hospitals Limited
Priory Securitisation Limited	Ordinary – 7,310,000	Priory Rehabilitation Services Holdings Limited
Priory Securitisation Limited	Ordinary – 100	Priory Rehabilitation Services Limited
Priory Healthcare Holdings Limited	Ordinary – 1	Priory Specialist Health Division Limited
Priory Specialist Health Division Limited	Ordinary – 200	Priory Specialist Health Limited
Priory Rehabilitation Services Limited	Ordinary – 1,229,002	Robinson Kay House (Bury) Limited
Priory Education Services Limited	Ordinary – 1	Rossendale School Limited
Priory Education Services Limited	Ordinary – 61,000	Solutions (Llangarron) Limited
Solutions (Llangarron) Limited	Ordinary – 61,000	Solutions (Ross) Limited
Priory Securitisation Limited	Ordinary – 200	The Nottingham Clinic Limited
Libra Health Limited	Ordinary – 200	Ticehurst House Private Clinic Limited
Priory Education Services Limited	Ordinary – 100	ZR Builders (Derby) Limited

SCHEDULE 4

INTELLECTUAL PROPERTY RIGHTS

Registered U.K. Trade Marks

Proprietor	Class	Status	Reg. No.
Libra Health Limited	42	Registered Due for renewal on 09.05.2005	2019956
Libra Health Limited	42	Registered Due for renewal on 09.05.2006	2019959
Priory Hospitals Group Limited	05, 09, 35, 36, 42	Registered Due for renewal on 15.12.2006	2117772A
Priory Hospitals Group Limited	05, 09, 35, 36, 42	Registered Due for renewal on 15.12.2006	2117772B
Priory Hospitals Group Limited	05, 09, 16, 35, 36, 42	Registered Due for renewal on 15.12.2006	2117780

Registered Non-U.K. Trade Marks

Country	Trademark	Classes	Application No.	APP Date	Status	Reg no	Expiry Date	Proprietor
CTM	PRIORY	3,5,9,16,25,35,36	003378866	02 Oct 2003	Opposed			Priory Healthcare Limited
CTM	<u>PRIORY</u>	41, 43, 44	003726957	30 Mar 2004	Opposed			Priory Healthcare Limited
South Africa	PRIORY	3	2003/17450	03 Oct 2003	Pending			Priory Healthcare Limited
South Africa	PRIORY	5	2003/17451	03 Oct 2003	Pending			Priory Healthcare Limited
South Africa	PRIORY	9	2003/17452	03 Oct 2003	Pending			Priory Healthcare Limited
South Africa	PRIORY	16	2003/17453	03 Oct 2003	Pending			Priory Healthcare Limited
South Africa	PRIORY	25	2003/17454	03 Oct 2003	Pending			Priory Healthcare Limited
South Africa	PRIORY	35	2003/17455	03 Oct 2003	Pending			Priory Healthcare Limited
South Africa	PRIORY	36	2003/17456	03 Oct 2003	Pending			Priory Healthcare Limited
South Africa	PRIORY	41	2003/17457	03 Oct 2003	Pending			Priory Healthcare Limited
South Africa	PRIORY	43	2003/17458	03 Oct	Pending			Priory Healthcare

Priory Securitisation Limited (registered in England and Wales under number 03982134)
Continuation Sheet 19

Country	Trademark	Classes	Application No.	APP Date	Status	Reg no	Expiry Date	Proprietor
				2003				Limited
South Africa	PRIORY	44	2003/17459	03 Oct 2003	Pending			Priory Healthcare Limited
UK		5,9,16,35,36,42	2117780	05 Dec 1996	Registered	2117780	05 Dec 2006	Priory Healthcare Limited
UK	PRIORY	5,9,35,36,42	2117772A	05 Dec 1996	Registered	2117772A	05 Dec 2006	Priory Healthcare Limited
UK	PRIORY	3,9,35,41	2344909	02 Oct 2003	Registered	2344909	02 Oct 2013	Priory Healthcare Limited
UK	PRIORY PRIORY	5,9,35,36,42	2117772B	05 Dec 1996	Registered	2117772B	05 Dec 2006	Priory Healthcare Limited
USA	PRIORY	3	78310944		Pending			Priory Healthcare Limited
USA	PRIORY	5	78311100		Pending			Priory Healthcare Limited
USA	PRIORY	43	78311134		Pending			Priory Healthcare Limited
USA	PRIORY	44	78311144		Pending			Priory Healthcare Limited
USA	PRIORY	9	78311297		Pending			Priory Healthcare Limited
USA	PRIORY	35	78311300		Pending			Priory Healthcare Limited
USA	PRIORY	41	78311301		Pending			Priory Healthcare Limited

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03982134

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SECURITY AGREEMENT DATED THE 9th NOVEMBER 2005 AND CREATED BY PRIORY SECURITISATION LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM EACH OBLIGOR TO ANY FINANCE PARTY ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 22nd NOVEMBER 2005.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24th NOVEMBER 2005.

PDmu



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES