

MG01

Particulars of a mortgage or charge



225319/26

A fee is payable with this form.

We will not accept this form unless you send the correct fee

Please see 'How to pay' on the last page



What this form is for

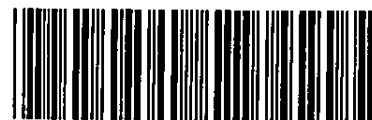
You may use this form to register particulars of a mortgage or charge in England and Wales or Northern Ireland



What this form is NOT

You cannot use this form to register particulars of a charge for a company. To do this, please use form MG01s

WEDNESDAY



LKFWGMN5

LD3

18/08/2010

402

COMPANIES HOUSE

1

Company details

Company number

0 5 7 7 1 7 5 7

Company name in full

Dunhall Property Limited

(the **Additional Chargor**)

3

For official use

→ **Filling in this form**

Please complete in typescript or in bold black capitals

All fields are mandatory unless specified or indicated by *

2

Date of creation of charge

Date of creation

d1 d3 m0 m8 y2 y0 y1 y0

3

Description

Please give a description of the instrument (if any) creating or evidencing the charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'

Description

A security agreement deed of accession dated 13 August 2010 between, amongst others, the Additional Chargor and the Security Agent (as defined below) (the **Deed**)

4

Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured

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 (as defined below) to any Finance Party (as defined below) under each Finance Document (as defined below) to which an Obligor is a party, except for any obligations which, if it were so included, would result in the Deed contravening Section 678 or 679 of the Companies Act 2006 (the **Secured Liabilities**)

Continuation page

Please use a continuation page if you need to enter more details

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5 Mortgagee(s) or person(s) entitled to the charge (if any)

Please give the name and address of the mortgagee(s) or person(s) entitled to the charge

Continuation page
Please use a continuation page if you need to enter more details

Name The Royal Bank of Scotland plc (the **Security Agent**)

Address 280 Bishopsgate

London

Postcode E C 2 M 4 R B

Name

Address

Postcode

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Continuation page
Please use a continuation page if you need to enter more details

Short particulars Please see the attached continuation sheets

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7 Particulars as to commission, allowance or discount (if any)

Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his

- subscribing or agreeing to subscribe, whether absolutely or conditionally, or
- procuring or agreeing to procure subscriptions, whether absolute or conditional,

for any debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered

Commission allowance or discount

Nil

8 Delivery of instrument

You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860). If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 866).

We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 870). The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it. Where a body corporate gives the verification, an officer of that body must sign it. We will also accept a verified copy where section 867(2) applies (property situated in another part of UK).

9 Signature

Please sign the form here

Signature

Signature

X *Allen & Overy LLP* X

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

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Presenter information

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

Contact name Hugh Drummond

Company name Allen & Overy LLP

Address One Bishops Square

Post town London

County/Region London

Postcode E 1 6 A D

Country

DX

Telephone 020 3088 2408



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☒ The company name and number match the information held on the public Register
- ☒ You have included the original deed with this form
- ☒ You have entered the date the charge was created
- ☒ You have supplied the description of the instrument
- ☒ You have given details of the amount secured by the mortgagee or chargee
- ☒ You have given details of the mortgagee(s) or person(s) entitled to the charge
- ☒ You have entered the short particulars of all the property mortgaged or charged
- ☒ You have signed the form
- ☒ You have enclosed the correct fee



Important information

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



How to pay

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

Make cheques or postal orders payable to 'Companies House'



Where to send

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

For companies registered in England and Wales:

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

For companies registered in Scotland:

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

For companies registered in Northern Ireland:

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



Further information

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

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

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6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

1. ACCESSION

With effect from the date of the Deed, the Additional Chargor

- (a) will become a party to the Security Agreement as a Chargor, and
- (b) will be bound by all the terms of the Security Agreement which are expressed to be binding on a Chargor including, without limitation, the terms set out at
 - (i) clause 4 (Restrictions on Dealings) of the Security Agreement which restricts, among other things, the creation of further security on any of its assets,
 - (ii) subclause 6 7 (Voting Rights) of the Security Agreement in relation to voting rights, powers and other rights in respect of its investments, and
 - (iii) clause 16 (Further Assurances) of the Security Agreement in relation to, amongst other things, creating, perfecting or protecting any security intended to be created by or pursuant to the Security Agreement

2. SECURITY

- (a) Paragraphs (a) to (h) below apply without prejudice to the generality of clause 1 (Accession) above
- (b) All the Security under the Deed.
 - (i) is created in favour of the Security Agent,
 - (ii) is security for the payment, discharge and performance of all the Secured Liabilities, and
 - (iii) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994
- (c) If the rights of the Additional Chargor under a document cannot be secured without the consent of that party to that document
 - (i) the Additional Chargor must notify the Security Agent promptly,
 - (ii) the Security under the Deed will secure all amounts which the Additional Chargor may receive, or has received, under that document but exclude the document itself, and

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- (iii) unless the Security Agent otherwise requires, the Additional Chargor must, and each other Charging Company must ensure that the Additional Chargor will, use all reasonable endeavours to obtain the consent of the relevant party to that document being secured under the Deed and in any event must have obtained the relevant party's consent within 30 days of the date of the Deed
- (d) The Security Agent holds the benefit of the Deed on trust for the Finance Parties
- (e) The fact that no or incomplete details of any Security Asset are inserted in the schedule to the Deed does not affect the validity or enforceability of the Security under the Deed
- (f) The Additional Chargor
 - (i) charges by way of a first legal mortgage all estates or interests in any freehold or leasehold property owned by it and specified in Part 1 (Real Property) of Schedule 1 (Security assets) to this Form MG01,
 - (ii) charges by way of a first legal mortgage all shares owned by it and specified in Part 2 (Shares) of Schedule 1 (Security assets) to this Form MG01,
 - (iii) charges by way of a first fixed charge all plant and machinery owned by it and specified in Part 3 (Specific Plant and Machinery) of Schedule 1 (Security assets) to this Form MG01,
 - (iv) assigns absolutely, subject to a proviso for reassignment on redemption, all of its rights in respect of the agreements specified in Part 4 (Relevant Contracts) of Schedule 1 (Security assets) to this Form MG01, and
 - (v) charges by way of a first fixed charge all of its rights in respect of the Intellectual Property Rights specified in Part 5 (Specific Intellectual Property Rights) of Schedule 1 (Security assets) to this Form MG01
- (g) The Additional Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at H M Land Registry

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the security agreement referred to in the charges register dated [] in favour of The Royal Bank of Scotland plc (as agent and trustee for the finance parties referred to in that security agreement) or its conveyancer "

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6	Short particulars of all the property mortgaged or charged
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Short particulars	<p>(h) The Additional Chargor applies to the Chief Land Registrar for a notice in the following terms to be entered on the Register of Title relating to any Mortgaged Property registered at H M Land Registry</p> <p>"The Lenders under a credit agreement dated 13 January 2010 between, amongst others, the Parent, The Royal Bank of Scotland plc as facility agent and security agent are under an obligation (subject to the terms of that senior facilities agreement) to make further advances and the security agreement referred to in the charges register dated [] in favour of The Royal Bank of Scotland plc (as agent and trustee for the secured creditors referred to in that security agreement) secures those further advances "</p> <p>3. MISCELLANEOUS</p> <p>With effect from the date of the Deed</p> <p>(a) the Security Agreement will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of a Chargor, and</p> <p>(b) any reference in the Security Agreement to the Deed and similar phrases will include the Deed and all references in the Security Agreement to a schedule (or any part of them) will include a reference to the schedule to the Deed (or relevant part of it)</p> <p>4. DEFINITIONS</p> <p>In this Form MG01.</p> <p>Accession Letter means a document substantially in the form set out in schedule 7 (Form of Accession Letter) to the Credit Agreement</p> <p>Acquisition Facility means the term loan facility made available under the Credit Agreement as described in paragraph (a)(i) of clause 2.1 (The Facilities) of the Credit Agreement</p> <p>Acquisition Facility Borrower means the Company or any Additional Acquisition Facility Borrower</p> <p>Additional Acquisition Facility Borrower means a company which becomes a Borrower under the Acquisition Facility in accordance with clause 28 (Changes to the Obligors) of the Credit Agreement</p> <p>Additional Guarantor means a company which becomes a Guarantor in accordance with clause 28 (Changes to the Obligors) of the Credit Agreement</p> <p style="text-align: center;">3</p>

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6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>Additional Lender means any person who is not a Lender and who is to become a Lender under clause 4 (Additional Commitments) of the Credit Agreement</p> <p>Additional Obligor means an Additional Acquisition Facility Borrower or an Additional Guarantor</p> <p>Affiliate means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company</p> <p>Ancillary Document means each document relating to or evidencing the terms of an Ancillary Facility</p> <p>Ancillary Facility means any ancillary facility made available by an Ancillary Lender in accordance with clause 7 (Ancillary Facilities) of the Credit Agreement</p> <p>Ancillary Lender means each Lender which makes available an Ancillary Facility in accordance with clause 7 (Ancillary Facilities) of the Credit Agreement</p> <p>Arkle Group means Affinity Healthcare Holdings Limited (registered in England and Wales with registration number 05305312) and each of its Subsidiaries for the time being</p> <p>Arranger means The Royal Bank of Scotland plc as mandated lead arranger</p> <p>Borrower means the Company, a Revolving Facility Borrower or an Acquisition Facility Borrower unless it has ceased to be a Borrower in accordance with clause 28 (Changes to the Obligors) of the Credit Agreement</p> <p>Charging Company means</p> <ol style="list-style-type: none"> (a) the Additional Chargor, (b) Priory New Education Limited (registered in England and Wales with registration number 07221650); <p>Chargor means an Original Chargor and any member of the Group which becomes a Chargor by executing a Deed of Accession.</p> <p>Company means Priory New Investments No 3 Limited (registered in England and Wales with registered number 07102547)</p> <p>Compliance Certificate means a certificate substantially in the form set out in schedule 9 (Form of Compliance Certificate) to the Credit Agreement</p> <p>Counterparty Accession Agreement means a letter, substantially in the form of schedule 13 (Form of Hedge Counterparty Accession Agreement) to the Credit</p>	

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Short particulars of all the property mortgaged or charged

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Short particulars

Agreement, with such amendments as the Facility Agent may approve or reasonably require

Credit Agreement means the £35,500,000 senior facilities agreement dated 13 January 2010 between (among others) the Parent, the Company and the Security Agent

Deed of Accession means a deed substantially in the form of schedule 5 (Form of Deed of Accession) to the Security Agreement which, for the avoidance of doubt, includes the Deed

Facility Agent means The Royal Bank of Scotland plc as agent of the other Finance Parties

Fee Letter means any letter or letters dated on or about the date of the Credit Agreement between the Arranger and the Company (or the Facility Agent and the Company) setting out any of the fees referred to in clause 14 (Fees) of the Credit Agreement

Finance Document means the Credit Agreement, any Accession Letter, any Lender Accession Agreement, any Compliance Certificate, any Fee Letter, any Hedging Agreement, the Hedging Letter, the Mandate Letter, any Subordination Agreement, any Resignation Letter, any Counterparty Accession Agreement, any Selection Notice, any Transaction Security Document, any Utilisation Request, any Ancillary Document and any other document designated as a "Finance Document" by the Facility Agent and the Parent

Finance Party means the Facility Agent, the Arranger, the Security Agent, any Ancillary Lender, a Lender or a Hedge Counterparty

Group means the Parent and each of its Subsidiaries for the time being

Guarantor means an Original Guarantor or an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with clause 28 (Changes to the Obligors) of the Credit Agreement

Hedge Counterparty means the Original Hedge Counterparty or any person which has become a party to the Credit Agreement as a Hedge Counterparty in accordance with clause 27 11 (Additional Hedge Counterparties) of the Credit Agreement

Hedging Agreement means any master agreement, confirmation, schedule or other agreement entered into or to be entered into by any Obligor and a Hedge Counterparty for the purpose of hedging interest rate liabilities in relation to the Acquisition Facility in accordance with the Hedging Letter delivered to the Facility Agent under clause 5 1 (Initial conditions precedent) of the Credit Agreement

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Hedging Letter means a letter between the Facility Agent and the Company in the agreed form dated on or before the date of the Credit Agreement (and executed by the Company) describing the hedging arrangements to be entered into in respect of the interest rate liabilities of the Borrowers under the Credit Agreement

Holding Company means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary

Intellectual Property Rights means

- (a) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right,
- (b) any copyright or other intellectual property monopoly right,
- (c) design rights, moral rights, inventions, confidential information, know how and other intellectual property rights and interests,
- (d) any interest (including by way of licence) in any of the above, or
- (e) the benefit of all applications and rights to use any of the above,

in each case, whether registered or not

Lender means

- (a) any Original Lender, and
- (b) any bank, financial institution, trust, fund or other entity which has become a party to the Credit Agreement in accordance with clause 27 (Changes to the Lenders) of the Credit Agreement,

which in each case has not ceased to be a party to the Credit Agreement in accordance with the terms of the Credit Agreement

Lender Accession Agreement means an agreement, substantially in the form of schedule 12 (Form of Lender Accession Agreement) to the Credit Agreement in respect of any accession of an Additional Lender under clause 27 10 (Additional Lenders) of 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 Parent

Mandate Letter means the best efforts letter dated on or about the date of the Credit Agreement between, among others, The Royal Bank of Scotland plc (as mandated lead arranger), the Company and the Parent

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Please give the short particulars of the property mortgaged or charged

Short particulars

Mortgaged Property means all estates or interests in all freehold or leasehold property included in the definition of Security Assets

Obligor means a Borrower or a Guarantor

Original Chargor means the Company and the Parent

Original Guarantor means the Company and the Parent

Original Hedge Counterparty means The Royal Bank of Scotland plc as counterparty to the hedging arrangements

Original Lender means The Royal Bank of Scotland plc

Parent means Priory New Investments No 2 Limited (registered in England and Wales with registered number 07102440).

Resignation Letter means a letter substantially in the form set out in schedule 8 (Form of Resignation Letter) to the Credit Agreement

Revolving Facility Borrower means the Company or, in respect of an Ancillary Facility only, any Affiliate of the Company that becomes a borrower of that Ancillary Facility with the approval of the relevant Lender pursuant to clause 7.9 (Affiliates of Borrowers) of the Credit Agreement

Security means a mortgage, standard security, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

Security Agreement means the security agreement dated 13 January 2010 entered into between the Parent, the other Chargors under and as defined in the Security Agreement and the Security Agent

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

Security Document means a security agreement substantially in the agreed form with such amendments as the Facility Agent may approve or reasonably require which, for the avoidance of doubt, includes the Security Agreement

Selection Notice means a notice substantially in the form set out in part 2 of schedule 3 (Requests) to the Credit Agreement (in accordance with clause 12 (Interest Periods) of the Credit Agreement in relation to a term loan facility

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6	Short particulars of all the property mortgaged or charged
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Short particulars	<p>Subordination Agreement means a subordination agreement, substantially in the agreed form with such amendments as the Facility Agent may approve or reasonably require</p> <p>Subsidiary means a subsidiary within the meaning of section 1159 of the Companies Act 2006</p> <p>Supplemental Security Document means a supplemental security agreement entered into by an Obligor substantially in the agreed form, with such amendments as the Facility Agent may approve or reasonably require</p> <p>Transaction Security Document means</p> <ul style="list-style-type: none"> (a) a Security Document which, for the avoidance of doubt, includes the Security Agreement, (b) any document evidencing or creating security over any asset and delivered to the Facility Agent in connection with the accession of the members of the Arkle Group pursuant to paragraph 2 of part 3 of schedule 2 (Conditions Precedent) to the Credit Agreement, (c) a Supplemental Security Document, (d) any document evidencing or creating security over any asset and delivered to the Facility Agent in connection with the accession of an Additional Obligor pursuant to part 5 of schedule 2 (Conditions Precedent) to the Credit Agreement which, for the avoidance of doubt, includes the Deed, and (e) any other document evidencing or creating security over any asset and designated as such by the Facility Agent and the Parent <p>Utilisation Request means a notice substantially in the relevant form set out in part 1 of schedule 3 (Requests) to the Credit Agreement</p> <p>In the Deed and in this Form MG01, reference to</p> <ul style="list-style-type: none"> (a) a Finance Document includes all amendments and supplements including supplements providing for further advances, and (b) the Security under the Deed means any security created by the Deed

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6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

SCHEDULE 1

SECURITY ASSETS

PART 1

REAL PROPERTY

Freehold/Leasehold	Description	Title number(s)	Charging Company
Freehold	Oliver House School, Hallgate, Astley Village, Chorley PR7 1XA	LA656031	Priory New Education Services Limited
Freehold	174 Fox Lane, Leyland, Preston PR24 1HE	LA809740	Priory New Education Services Limited
Freehold	420 Croston Road, Farington Moss, Leyland, Preston PR26 6PJ	LA769760	Dunhall Property Limited

PART 2

SHARES

Charging Company	Name of company in which shares are held	Class of shares held	Number of shares held
Priory New Education Services Limited	Dunhall Property Limited	Ordinary	1,000

PART 3

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	Please give the short particulars of the property mortgaged or charged	
Short particulars	SPECIFIC PLANT AND MACHINERY	
	Description	
	None	
	PART 4	
	RELEVANT CONTRACTS	
	Description	
	None	
	PART 5	
	SPECIFIC INTELLECTUAL PROPERTY RIGHTS	
	Description	
	None	



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 869(5) & (6) of the Companies Act 2006

**COMPANY NO. 5771757
CHARGE NO. 3**

**THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A SECURITY AGREEMENT DEED OF
ACCESSION DATED 13 AUGUST 2010 AND CREATED BY
DUNHALL PROPERTY 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 25 OF THE COMPANIES ACT
2006 ON THE 18 AUGUST 2010**

GIVEN AT COMPANIES HOUSE, CARDIFF THE 23 AUGUST 2010



Companies House
— for the record —



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