



Registration of a Charge

Company Name: **ST ANDREW'S HEALTHCARE**

Company Number: **05176998**



Received for filing in Electronic Format on the: **21/09/2023**

XCCJSOYB

Details of Charge

Date of creation: **20/09/2023**

Charge code: **0517 6998 0014**

Persons entitled: **ST ANDREW'S PENSION TRUSTEES LIMITED AS TRUSTEE OF THE ST ANDREW'S HEALTHCARE PENSION SCHEME**

Brief description: **(1) FREEHOLD LAND KNOWN AS MALCOLM ARNOLD HOUSE AT ST ANDREW'S HOSPITAL, BILLING ROAD, NORTHAMPTON NN1 5DG FORMING PART OF THE LAND REGISTERED AT THE LAND REGISTRY WITH TITLE ABSOLUTE UNDER TITLE NUMBER NN272901; AND (2) FREEHOLD LAND KNOWN AS LOWTHER DEMENTIA VILLAGE AT ST ANDREW'S HOSPITAL, BILLING ROAD, NORTHAMPTON NN1 5DG FORMING PART OF THE LAND REGISTERED AT THE LAND REGISTRY WITH TITLE ABSOLUTE UNDER TITLE NUMBER NN272901.**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

SHEPHERD AND WEDDERBURN LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5176998

Charge code: 0517 6998 0014

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th September 2023 and created by ST ANDREW'S HEALTHCARE was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st September 2023 .

Given at Companies House, Cardiff on 25th September 2023

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



Companies House



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

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[Execution Version](#)

Dated: 20 September 2023

(1) ST ANDREW'S HEALTHCARE

(2) ST ANDREW'S PENSION TRUSTEES LIMITED AS TRUSTEE OF THE ST
ANDREW'S HEALTHCARE PENSION SCHEME

Security agreement

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THIS DEED is dated

20 September

2023

BETWEEN:

- (1) **ST ANDREW'S HEALTHCARE** a company limited by guarantee (company number 05176998) and a registered charity (charity number 1104951) registered in England and Wales whose registered office is Billing Road, Northampton NN1 5DG (the "**Chargor**");
- (2) **ST ANDREW'S PENSION TRUSTEES LIMITED** a limited company (company number 05597060) as trustee of the St Andrew's Healthcare Pension Scheme (the "**Trustee**"); and
- (3) **THE DIRECTORS OF THE CHARGOR**, as set out in Schedule 3 (*Directors*) to this Deed (the "**Directors**").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"**Act**" means the Law of Property Act 1925.

"**Business Day**" means a day (other than a Saturday or a Sunday) on which banks are open for general business in London.

"**Certificate of Title**" means any certificate(s) of title on the Mortgaged Property addressed to and provided at the request of the Trustee on or before the date of this Deed.

"**Contract Claims**" means:

- (a) any sums payable to the Chargor pursuant to all representations, warranties, undertakings and indemnities to, agreements with and security to be provided in favour of the Chargor in respect of and pursuant to each of the Relevant Contracts; and
- (b) any net proceeds of any claims, awards and judgements which may at any time be received or receivable by the Chargor pursuant to any of the Relevant Contracts together with the benefit of all powers and remedies for enforcing the same.

"**Creditors' Process**" means in relation to a person, any expropriation, attachment, sequestration, distress or execution (or any analogous event in any jurisdiction) which affects a material part of the assets of that person, and is not discharged within 14 days.

"**Demand**" means any demand made on the Chargor by the Trustee under Clause 2 (*Covenant to pay*) in relation to the Secured Scheme Liabilities.

"**Disposal Proceeds**" means all capital monies or other sums or other consideration paid or payable in respect of the disposal of the Chargor's interest in all or any part of any Mortgaged Property.

"**Effective Date**" means ten years from the date of this Deed or such later date agreed between the Parties.

"**Environmental Approval**" means any consent, approval, authorisation, permission or licence required by any Environmental Law.

"Environmental Claim" means any action or claim by any person in connection with:

- (a) a breach, or alleged breach, of an Environmental Law;
- (b) a liability, or alleged liability, under Environmental Law;
- (c) a failure to comply with any Environmental Approval;
- (d) any accident, fire, explosion or other event of any type involving an emission or substance which is capable of causing harm to any living organism or the environment; or
- (e) any other environmental contamination.

"Environmental Law" means any law or regulation concerning:

- (a) the protection of health and safety;
- (b) the environment; or
- (c) any emission or substance which is capable of causing harm to any living organism or the environment.

"Event of Default" means an event specified as such in Clause 6 (*Default*).

"Fixtures" means all fixtures and fittings and fixed plant and machinery on the Mortgaged Property.

"Implementation Date" has the meaning given to it in Clause 26 (*Amendments*).

"Insolvency Event" means in respect of the Chargor:

- (a) an 'insolvency event' as defined in section 121 of the Pensions Act 2004 or regulations made from time to time thereunder; or
- (b) the receipt by the Pension Protection Fund of an application or notification from the Trustee or the Pensions Regulator that the Chargor is unlikely to continue as a going concern, which is purported to be made in accordance with section 129 of the Pensions Act 2004 or regulations made from time to time thereunder.

"Insolvency Proceedings" means in respect of any person:

- (a) any procedure or step is taken with a view to a moratorium or a composition, assignment or similar arrangement with any of its creditors;
- (b) a meeting of its shareholders, directors or other officers is convened for the purpose of considering any resolution for, to petition for or to file documents with a court or any registrar for, its winding-up, administration or dissolution or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise), or any such resolution is passed;
- (c) any person presents a petition, or files documents with a court or any registrar, for its winding-up, administration, dissolution or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise);
- (d) any Security Interest is enforced by any person over a material part of its assets;
- (e) an order for its winding-up, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) is made;

- (f) any liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer is appointed in respect of it or a material part of its assets;
- (g) its shareholders, directors or other officers or that person itself request(s) or apply/ies to court for the appointment of, or give(s) notice of their intention to appoint, a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer; or
- (h) any other analogous step or procedure is taken in any jurisdiction.

"Insured Property Assets" means the Premises and all the Chargor's other assets of an insurable nature in or on the Mortgaged Property.

"Material Adverse Effect" means a material adverse effect on:

- (a) the ability of the Chargor to perform its payment obligations under this Deed;
- (b) subject to the Reservations, the validity or enforceability of, or the effectiveness, making or ranking of, this Deed or the validity or enforceability, or the effectiveness or ranking of, any right or remedy of the Trustee under this Deed.

"Mortgaged Property" means all property included in the definition of Security Assets.

"Net Enforcement Proceeds" means in relation to any Security Asset, any proceeds of sale or enforcement which is collected or received by the Trustee (or any Receiver) arising from that Security Asset following the enforcement of this Security, less all costs, expenses, remuneration and other items relating thereto contemplated in Clause 11.1 (*Application of Proceeds*).

"Occupational Lease" means any lease, agreement for lease, licence or other occupational interest subject to which the Chargor's interest in a Mortgaged Property is held, now or in the future, including any guarantee and rent deposit arrangements entered into under the terms of them.

"Party" means a party to this Deed.

"Pension Protection Fund" means the Board of the Pension Protection Fund as established under Part 2 of the Pensions Act 2004.

"Pensions Regulator" means the body of that name and referred to as the "Regulator" in the Pensions Act 2004.

"Premises" means all buildings and erections included in the definition of Mortgaged Property.

"Proposal Date" has the meaning given to it in Clause 18 (*Amendments*).

"Proposals" has the meaning given to it in Clause 18 (*Amendments*).

"Receiver" means a receiver and manager or a receiver or an administrator or an administrative receiver, in each case, appointed under this Deed.

"Release Request" has the meaning given to it in Clause 19 (*Release where over secured*).

"Relevant Contracts" means each and all of the following both present and future:

- (a) each contract in respect of any disposal of any Security Asset;

- (b) each Occupational Lease;
- (c) any managing agent's agreement; and
- (d) all other agreements in which the Chargor has an interest in connection with the Mortgaged Property,

including, in each case, any guarantees or sureties entered into in respect of them.

"Reservations" means:

- (a) the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court and damages may be regarded as an adequate remedy.
- (b) the limitation on enforcement as a result of laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws affecting the rights of creditors generally;
- (c) the statutory time-barring of claims;
- (d) defences of set off or counterclaim;
- (e) rules against penalties and similar principles;
- (f) the fact that security which is described as fixed security may in fact be floating security;
- (g) the possibility that an undertaking to assume liability for, or indemnify a person against, non-payment of stamp duty may be void;
- (h) the fact that a court may refuse to give effect to a purported contractual obligation to pay costs imposed upon another person in respect of costs of an unsuccessful litigation brought against that person or may not award by way of costs all of the expenditure incurred by a successful litigant in proceedings brought before that court or that a court may stay proceedings if concurrent proceedings based on the same grounds and between the same parties have previously been brought before another court;
- (i) any steps for perfection not required by the terms of this Deed to be taken; and/or
- (j) and any other reservations or qualifications of law contained in any legal opinion delivered to the Trustee in respect of this Deed.

"Scheme" means the St Andrew's Healthcare Pension Scheme (registration number 101650875).

"Secured Liabilities" means the Secured Scheme Liabilities and all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally and in any capacity whatsoever) of the Chargor under this Deed.

"Secured Scheme Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally and in any capacity whatsoever) of the Chargor to make payments to the Scheme.

"Security Assets" means all assets of the Chargor the subject of any Security Interest created, or purported to be created, by this Deed and any Supplemental Security Agreement.

"Security Interest" means any mortgage, charge, pledge, lien, assignment, hypothecation or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which all Secured Liabilities which may be or become due have been unconditionally and irrevocably paid and discharged in full.

"Subsidiary" means:

- (a) a subsidiary within the meaning of section 1159 of the Companies Act 2006; and
- (b) unless the context otherwise requires, a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

"Substitute Property" means a freehold or leasehold property approved by the Trustee pursuant to Clause 20 (*Substitution of Property*) in their absolute discretion and in relation to which the conditions set out in Schedule 2 (*Conditions precedent to substitution*) have been satisfied.

"Supplemental Security Agreement" means a security agreement supplemental to this Deed executed by the Chargor in favour of the Trustee containing a charge by way of legal mortgage over a Substitute Property.

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"Tax Deduction" means a deduction or withholding for or on account of Tax from a payment under this Deed.

"Valuation" means a valuation of the Chargor's interest in the Mortgaged Property by the Valuer, addressed to the Trustee and prepared on the basis of the market value as that term is defined in the then current Statements of Asset Valuation Practice and Guidance Notes issued by the Royal Institution of Chartered Surveyors.

"Valuer" means Gerald Eve LLP or any other surveyor or valuer appointed by the Trustee.

1.2 In this Deed unless the contrary intention appears, a reference to:

- 1.2.1 **"assets"** includes present and future properties, revenues and rights of every description and includes uncalled capital;
- 1.2.2 an **"authorisation"** includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation;
- 1.2.3 **"disposal"** means a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary, and **"dispose"** will be construed accordingly;
- 1.2.4 **"this Security"** means any Security Interests created by this Deed and any Supplemental Security Agreement;
- 1.2.5 a **"person"** includes any individual, firm, company, corporation, unincorporated association or body (including a partnership, trust, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
- 1.2.6 a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which persons to which it applies are accustomed to

comply) of any governmental, inter-governmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;

- 1.2.7 **"Sterling"** or **"£"** is a reference to the lawful currency for the time being of the United Kingdom;
 - 1.2.8 a **"provision of law"** is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
 - 1.2.9 a **"Clause"**, a **"paragraph"** or a **"Schedule"** is a reference to a Clause, a paragraph or a Schedule to, this Deed;
 - 1.2.10 a **"Party"** or any other person includes its successors in title, permitted assigns and permitted transferees and this Deed shall be binding on and enforceable by any person who is for the time being the trustee of the Scheme including any person who succeeds or replaces a trustee of the Scheme (and this Clause 1.2.10 shall be in addition to, and not affect, the provisions of the Trustee Act dealing with transfers of assets and liabilities from one trustee to another);
 - 1.2.11 this **"Deed"** (or any specified provision of it) or any other document shall be construed as a reference to this Deed, that provision or that document as in force for the time being and as amended, restated, varied, supplemented or novated from time to time;
 - 1.2.12 **"including"** shall not be construed narrowly but be taken as reading **"including without limitation"**;
 - 1.2.13 a **"time of day"** is a reference to London time; and
 - 1.2.14 words importing the singular shall include the plural and vice versa.
- 1.3 Unless the contrary intention appears, a reference to a month or months 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 or the calendar month in which it is to end, except that:
- 1.3.1 if the numerically corresponding day is not a Business Day, the period will end on the next Business Day in that month (if there is one) or the preceding Business Day (if there is not);
 - 1.3.2 if there is no numerically corresponding day in that month, that period will end on the last Business Day in that month; and
 - 1.3.3 notwithstanding Clause 1.3.1 above, a period which commences on the last Business Day of a month will end on the last Business Day in the next month or the calendar month in which it is to end, as appropriate.
- 1.4 Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and, notwithstanding any term of this Deed, no consent of any third party is required for any variation (including any release or compromise of any liability) or termination of this Deed. As contemplated by Clause 1.1 above, any person who is for the time being a trustee of the Scheme may enforce or enjoy the benefit of any term of this Deed pursuant to the Contracts (Rights of Third Parties) Act 1999.
- 1.5 If the Trustee considers that an amount paid to it under this Deed is 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 this Deed.

1.6 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.

1.7 The headings in this Deed do not affect its interpretation.

1.8 It is intended by the Parties that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

2. **COVENANT TO PAY**

The Chargor must, on demand, pay or discharge the Secured Scheme Liabilities when due.

3. **CREATION OF SECURITY**

3.1 **General**

3.1.1 All the Security Interests created under this Deed:

3.1.1.1 are created in favour of the Trustee;

3.1.1.2 are created over present and future assets of the Chargor;

3.1.1.3 are continuing security for the payment of all the Secured Liabilities; and

3.1.1.4 are made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

3.1.2 If the rights of the Chargor under a document cannot be secured without the consent of a party to that document:

3.1.2.1 the Chargor must notify the Trustee promptly;

3.1.2.2 this Security will secure all amounts which the Chargor may receive, or has received, under that document but exclude the document itself; and

3.1.2.3 unless the Trustee otherwise requires, the Chargor must use reasonable endeavours to obtain the consent of the relevant party to that document being secured under this Deed.

3.1.3 The payment obligations of the Chargor under this Deed shall survive the enforcement of the whole or any part of the Security Assets.

3.2 **Charge**

3.2.1 The Chargor charges and agrees to charge:

3.2.1.1 by way of a first legal mortgage the real property specified in Schedule 1 (*Real Property*);

3.2.1.2 its interest in the Relevant Contracts;

3.2.1.3 all claims under and all proceeds of all policies of insurance in respect of the Security Assets which are at any time held by or written in favour of the Chargor or in which the Chargor from time to time has an interest;

3.2.1.4 the benefit of all guarantees, warranties and representations given or made by any manufacturers, suppliers and installers of

any Fixtures and fittings now or in future on the Mortgaged Property; and

3.2.1.5 all future easements, licences and other rights at any time vested in the Chargor in connection with the Mortgaged Property.

3.2.2 A reference in this Clause 3.2 to a mortgage or charge of any freehold, leasehold or other immovable property includes:

3.2.2.1 all buildings, fixtures, fittings and fixed plant and machinery and Fixtures on that property; and

3.2.2.2 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.

3.3 **Assignment**

The Chargor assigns to the Trustee absolutely, subject to a proviso for re-assignment on redemption:

3.3.1 all of its rights, title, interest and benefit in and to the Contract Claims;

3.3.2 the Disposal Proceeds; and

3.3.3 all causes of action and other rights and remedies in which it has an interest at any time.

3.4 **Limit on amount recoverable**

The total amount which may be:

3.4.1 recovered from the Chargor pursuant to any Demands in relation to the Chargor's Secured Scheme Liabilities; and/or

3.4.2 applied by the Trustee against the Chargor's Secured Scheme Liabilities from any Net Enforcement Proceeds,

shall be capped at the lower of:

3.4.2.1 an amount equal to the entire aggregate liability (on the reference date) of every employer (within the meaning set out in section 318 of the Pensions Act 2004 and regulations made thereunder) in relation to the Scheme, were a debt under section 75 of the Pensions Act 1995 to have become due on the reference date (where reference date means the date of the Insolvency Event to which (1) the relevant Demand relates or (as the case may be) (2) the relevant application of Net Enforcement Proceeds relates (including as contemplated by Paragraph 17.6(b) (Appropriations)) or, in either case if earlier, on the calculation date for debt due under section 75 of the Pensions Act 1995 as nominated by the Trustee following the start of the winding up of the Scheme; and

3.4.2.2 £20,000,000.

3.5 **Funds**

Payments under this Deed to the Trustee must be made for value on the due date at such times and in such funds as the Trustee may specify to the Chargor as being

customary at the time for the settlement of transactions in the relevant currency in the place for payment.

3.6 **Currency**

Any amount payable under this Deed is payable in Sterling.

3.7 **No set-off or counterclaim**

All payments made by the Chargor under this Deed shall be calculated and must be made without (and be free and clear of any deduction for) set-off or counterclaim.

3.8 **Business Days**

If a payment under this Deed is due on a day which is not a Business Day, the due date for that payment will instead be the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

4. **REPRESENTATIONS**

4.1 **Representations**

The representations set out in this Clause 4 are made by the Chargor to the Trustee.

4.2 **Status**

4.2.1 It is a private company limited by guarantee, duly incorporated and validly existing under the laws of its jurisdiction of incorporation.

4.2.2 It has the power to own its assets and carry on its business as it is being conducted.

4.3 **Powers and authority**

4.3.1 It has the power to enter into, perform and deliver, and has taken all necessary action to authorise the entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.

4.3.2 No limit on its powers will be exceeded as a result of the grant of this Deed.

4.4 **Legal validity**

Subject to the Reservations, the obligations expressed to be assumed by it in this Deed are legal, binding, valid and enforceable obligations.

4.5 **Non-conflict**

The entry into and performance by it of, and the transactions contemplated by, this Deed do not and will not conflict with:

4.5.1 any law or regulation applicable to it;

4.5.2 its constitutional documents; or

4.5.3 any document which is binding upon it or its assets or constitute a default or termination event (howsoever described) under any such document.

4.6 **No insolvency**

No Insolvency Proceedings or Creditors' Process have been taken or threatened in relation to it and no Insolvency Event applies to the Chargor.

4.7 No default

No event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of the foregoing, would constitute) a default or termination event (howsoever described) under any document which is binding on it or any of its assets to an extent or in a manner which has or is reasonably likely to have a Material Adverse Effect.

4.8 Authorisations

All authorisations required by it in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, this Deed have been obtained or effected (as appropriate) and are in full force and effect.

4.9 Litigation

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which are reasonably likely to be determined adversely to it and which, if so adversely determined, would, or would be reasonably likely to, have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened in writing against it.

4.10 Nature of security

4.10.1 This Deed creates those Security Interests it purports to create and is not liable to be amended or otherwise set aside in the insolvency, liquidation or administration of the Chargor or otherwise.

4.10.2 The Security Interests created by this Deed constitute a first priority Security Interest of the type described over the Security Assets and the Security Assets are not subject to any prior or *pari passu* Security Interest.

4.11 Information for Certificate of Title

4.11.1 The information provided to the lawyers who prepared any Certificate of Title for the purpose of that Certificate of Title was true in all material respects at the date it was expressed to be given.

4.11.2 The information referred to in Clause 4.11.1 above was at the date it was expressed to be given complete and did not omit any information which, if disclosed would make that information untrue or misleading in any material respect.

4.11.3 As at the date of this Deed, nothing has occurred since the date of any information referred to in Clause 4.11.1 above which renders that information untrue or misleading in any respect and which, if disclosed, would make that information untrue or misleading in any material respect.

4.12 Title

Except as disclosed in any Certificate of Title:

4.12.1 it is the sole legal and beneficial owner of the Mortgaged Property;

4.12.2 no breach of any law or regulation is outstanding which affects or might affect materially the value of the Mortgaged Property;

4.12.3 there are no covenants, agreements, stipulations, reservations, conditions, interests, rights or other matters whatsoever affecting the Mortgaged Property;

- 4.12.4 nothing has arisen or has been created or is subsisting which would be an overriding interest, or an unregistered interest which overrides first registration or registered dispositions, over the Mortgaged Property;
- 4.12.5 no facilities necessary for the enjoyment and use of the Mortgaged Property are enjoyed by the Mortgaged Property on terms entitling any person to terminate or curtail its use;
- 4.12.6 it has received no notice of any adverse claims by any person in respect of the ownership of the Mortgaged Property or any interest in it, nor has any acknowledgement been given to any person in respect of the Mortgaged Property; and
- 4.12.7 the Mortgaged Property is held by it free from any Security Interest or any tenancies or licences.

4.13 **Valuation**

- 4.13.1 All information supplied by it or on its behalf to the Valuer for the purposes of each Valuation was true and accurate as at its date or (if appropriate) as at the date (if any) at which it is stated to be given;
- 4.13.2 any financial projections contained in the information referred to in Clause 4.13.1 above have been prepared as at their date, on the basis of recent historical information and assumptions believed by it to be fair and reasonable;
- 4.13.3 it has not omitted to supply any information which, if disclosed, would reasonably be expected to adversely affect the Valuation; and
- 4.13.4 as at the date of this Deed, nothing has occurred since the date information referred to in Clause 4.13.1 above was supplied which, if it had occurred prior to the Valuation, would adversely affect the Valuation.

4.14 **Environmental Matters**

- 4.14.1 The Chargor is in compliance with Clause 5.9 (*Environmental matters*) and no circumstances have occurred which would prevent such compliance in a manner or to an extent which has or is reasonably likely to have a Material Adverse Effect.
- 4.14.2 No Environmental Claim has been commenced or is threatened against the Chargor.
- 4.14.3 No dangerous substance has been used, disposed of, generated, stored, dumped, released, deposited, buried or emitted at, on, from or under the Mortgaged Property.

4.15 **Centre of main interest and establishments**

For the purposes of the Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) as amended by the Insolvency (Amendment) (EU Exit) Regulations 2019 SI 2019/146 and for the purposes of The Cross-Border Insolvency Regulations 2006, SI 2006/1030 (the "**UNCITRAL Implementing Regulations**"), the Chargor has its "centre of main interests" in England and Wales and it has no "establishment", as that term is used in the UNCITRAL Implementing Regulations, in any other jurisdiction.

4.16 **Times for making representations**

- 4.16.1 The representations set out in this Clause 4 are made by the Chargor on the date of this Deed.

4.16.2 The representations set out in this Clause 4 are deemed to be repeated by the Chargor on 31 March and 1 April of each year during the Security Period.

4.16.3 When a representation is repeated, it is applied to the circumstances existing at the time of repetition.

5. **COVENANTS**

5.1 **General**

The Chargor agrees to be bound by the covenants set out in this Clause 5 so long as any Secured Liabilities are outstanding.

5.2 **Notification of breach**

The Chargor must notify the Trustee of any breach of any of the provisions of this Deed promptly upon becoming aware of its occurrence.

5.3 **Authorisations**

The Chargor must promptly obtain, maintain and comply with the terms of any authorisation required under any law or regulation to enable it to perform its obligations under, or for the validity or enforceability of, this Deed.

5.4 **Compliance with laws**

The Chargor must comply in all respects with all laws to which it is subject where failure to do so has or is reasonably likely to have a Material Adverse Effect.

5.5 **Pari passu ranking**

The Chargor must ensure that its payment obligations under this Deed rank at least *pari passu* with all its other present and future unsecured payment obligations, except for obligations mandatorily preferred by laws of general application to companies.

5.6 **Disposals and negative pledge**

The Chargor must not:

5.6.1 create, purport to create or permit to subsist any Security Interest on any Security Asset (other than this Security); or

5.6.2 sell, assign, transfer, licence, lease or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interests in, any Security Asset.

5.7 **Clause 5.6 (*Disposals and negative pledge*) shall not apply to:**

5.7.1 any Security Interest securing indebtedness the outstanding principal amount of which does not at any time exceed £5,000,000 (or its equivalent in other currencies); and

5.7.2 any Security Interest that the Trustee may consent to in writing from time to time (such consent not to be unreasonably withheld or delayed).

5.8 **Environmental matters**

5.8.1 The Chargor must:

5.8.1.1 obtain all Environmental Approvals required to be obtained by it;

- 5.8.1.2 comply in all material respects with any Environmental Approval or Environmental Law applicable to it;
- 5.8.1.3 ensure that the Trustee does not incur any liability by reason of any breach by the Chargor of any Environmental Law or Environmental Approval; and
- 5.8.1.4 promptly upon becoming aware notify the Trustee of:
 - (a) any Environmental Claim current or, to its knowledge, pending or threatened; or
 - (b) any circumstances reasonably likely to result in an Environmental Claim.
- 5.8.2 The Chargor must indemnify the Trustee against any loss or liability which:
 - 5.8.2.1 the Trustee incurs as a result of any actual or alleged breach of any Environmental Law or Environmental Approval by any person; and
 - 5.8.2.2 which would not have arisen if this Deed had not been entered into,
 unless it is caused by the Trustee's gross negligence or wilful misconduct.

5.9 **Repair**

The Chargor must keep:

- 5.9.1 the Premises and all fixed and movable plant, machinery, fixtures, fittings, cables, wires, drains, pipes and sanitary, water and other services comprised in them (in so far as the same are owned by the Chargor or their maintenance and repair is the responsibility of the Chargor) in good and substantial repair and condition and in good working order and adequately and properly painted and decorated and not, without the prior written consent of the Trustee (such consent not to be unreasonably withheld or delayed), alter, pull down, remove or dispose of any of the same except in the ordinary course of repair, maintenance or improvement; and
- 5.9.2 the Fixtures and all plant and machinery owned by it and which are in or on the Premises in a good state of repair and in good working order and condition.

5.10 **Insurance**

- 5.10.1 The Chargor must insure the Insured Property Assets against:
 - 5.10.1.1 loss or damage by fire;
 - 5.10.1.2 other risks normally insured against by persons carrying on the same class of business as that carried on by it; and
 - 5.10.1.3 any other risks which the Trustee may reasonably require.
- 5.10.2 Any insurance must be in a sum or sums not less than the replacement value of the Insured Property Assets. For this purpose, replacement value means the total cost of entirely rebuilding, reinstating or replacing those Insured Property Assets in the event of their being completely destroyed, together with architects', surveyors' fees and any other professional fees which would be considered reasonably necessary in the circumstances.

- 5.10.3 Any insurance required under this Clause 5.10 must be:
 - 5.10.3.1 in an amount and form acceptable to the Trustee; and
 - 5.10.3.2 with an insurance company or underwriter that is acceptable to the Trustee.
- 5.10.4 If the Trustee give notice to the Chargor that the insurance company or underwriter has ceased to be acceptable to them, the Chargor shall put in place replacement insurances in accordance with this Clause 5.10 with an insurance company or underwriter that is acceptable to the Trustee by the date which is the earlier of the date of the expiry of the relevant policy and the date falling 60 days after the date of the notice from the Trustee.
- 5.10.5 All moneys received or receivable under any insurance in respect of the Insured Property Assets must be applied:
 - 5.10.5.1 in replacing, restoring or reinstating the Insured Property Assets destroyed or damaged or in any other manner which the Trustee may agree; or
 - 5.10.5.2 after an Event of Default has occurred, if the Trustee so directs and the terms of the relevant insurances allow, in or towards satisfaction of the Secured Liabilities.
- 5.10.6 The Chargor must procure that the Trustee is named as co-insured on all insurance policies in respect of the Insured Property Assets and is named as first loss payee in respect of all claims under such insurance policies.
- 5.10.7 The Chargor must ensure that each insurance policy contains:
 - 5.10.7.1 a standard mortgagee clause under which the insurance will not be vitiated or avoided as against the Trustee as a result of any misrepresentation, act or neglect or failure to disclose on the part of any insured party or any circumstances beyond the control of an insured party; and
 - 5.10.7.2 terms providing that it will not, so far as the Trustee is concerned, be invalidated for failure to pay any premium due without the insurer giving to the Trustee not less than 14 days' notice in writing.
- 5.10.8 The Chargor must not do or permit anything to be done which may make void or voidable any policy of insurance in connection with any Insured Property Asset.
- 5.10.9 The Chargor must promptly pay all premiums and do all other things necessary to keep each policy of insurance in respect of the Insured Property Assets in force.
- 5.10.10 The Chargor must, promptly on demand by the Trustee, produce to the Trustee the policy, certificate or cover note relating to any insurance policy in respect of the Insured Property Assets and the receipt for the payment of any premium for any such insurance policy as the Trustee may request.

5.11 **Valuations**

- 5.11.1 The Chargor must, on or before the date of this Deed, provide a Valuation to the Trustee.

5.11.2 The Trustee may request an additional Valuation (and the Chargor must promptly on demand by the Trustee pay the costs of a further Valuation requested by the Trustee):

5.11.2.1 after the fifth anniversary of the date of this Deed;

5.11.2.2 in connection with an actuarial valuation of the Scheme required by section 224 of the Pensions Act 2004 (but not more than once in relation to any such actuarial valuation) if the Trustee and the Chargor agree, such agreement not to be unreasonably withheld, that the Security Interest created by this Deed and any Supplemental Security Agreement is material to the valuation of the Scheme's assets and/or the calculation of its technical provisions for the purposes of such actuarial valuation; or

5.11.2.3 at any time when an Event of Default is outstanding.

5.11.3 The Chargor must supply to the Trustee a copy of any valuation of any Security Asset it obtains, promptly upon obtaining it.

5.12 **No structural alterations**

The Chargor shall ensure that neither it nor any other person makes any structural alteration to the Mortgaged Property which materially and adversely affects the value of the Mortgaged Property without the prior written consent of the Trustee (such consent not to be unreasonably withheld or delayed).

5.13 **Title covenants**

The Chargor shall procure that all material covenants, agreements, obligations, stipulations and conditions now or at any time:

5.13.1 affecting the Mortgaged Property or its use or enjoyment (so far as the same subsist and are capable of being enforced) shall be observed and performed; and

5.13.2 benefiting the Mortgaged Property shall be diligently enforced and such obligations shall not be waived, varied or released, or any agreement made to do the same,

including those contained in any agreements, assignments, contracts, conveyances, grants and other deeds and documents for the time being binding on the Chargor or affecting the Mortgaged Property or the use or enjoyment of the Mortgaged Property and the Chargor shall not take or omit to take any action of any kind whereby any interest or estate in the Mortgaged Property may be adversely affected.

5.14 **Pay outgoings**

The Chargor shall:

5.14.1 punctually pay or procure to be paid all rates, rents, taxes, levies, charges, duties, assessments, impositions and outgoings and other sums payable out of or in respect of the Mortgaged Property or any carbon dioxide emissions associated with it and provide to the Trustee, when required, proof of such payment; and

5.14.2 indemnify, or procure the indemnification of, the Trustee on demand against all existing and future rents, taxes, duties, fees, renewal fees, charges, assessments, impositions and outgoings whatsoever,

whether imposed by deed or by statute or otherwise and whether in the nature of capital or revenue and even though of a wholly novel character which now or at any time during the continuance of this Security are payable in respect of the Mortgaged Property or any part of it.

5.15 **Compliance with leases**

The Chargor must perform all the terms on its part contained in any Occupational Lease and enforce those on the part of the occupational tenant.

5.16 **Compliance with applicable laws and regulations**

The Chargor must:

- 5.16.1 perform all its obligations under any law or regulation in any way related to or affecting the Mortgaged Property;
- 5.16.2 not suffer to be done on the Mortgaged Property anything which shall cause, constitute or contribute to any breach of the Town and Country Planning Act 1990 and any other legislation relating to town and country planning in force from time to time or any orders or regulations made under them; and
- 5.16.3 not apply for any planning consent for development or change of use of the Mortgaged Property or any part of it without the Trustee's prior consent (such consent not to be unreasonably withheld or delayed).

5.17 **Notices**

The Chargor must, within 14 days after the receipt by the Chargor of any application, requirement, order or notice served or given by any public or local or any other authority with respect to the Mortgaged Property (or any part of it):

- 5.17.1 deliver a copy to the Trustee; and
- 5.17.2 inform the Trustee of the steps taken or proposed to be taken to comply with the relevant requirement.

5.18 **Leases**

The Chargor must not without the consent of the Trustee (such consent not to be unreasonably withheld or delayed) grant or agree to grant (whether in exercise or independently of any statutory power) or vary or agree to vary any Occupational Lease or any part of it or accept a surrender of any Occupational Lease or confer upon any person any contractual licence or right to occupy the Mortgaged Property.

5.19 **H.M. Land Registry**

The Chargor authorises the Trustee to make an application on Form RX1 (or such other form as may be prescribed from time to time) to enter the following restriction against the relevant registered estate:

"No disposition of the part of the registered estate shown [REFERENCE TO PLAN] by the proprietor of the registered estate or by the proprietor of any registered Charge, not being a Charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the security agreement dated [DATE] in favour of St Andrew's Pension Trustees Limited as trustee of the St Andrew's Healthcare Pension Scheme referred to in the Charges Register (or its conveyancer)."

5.20 **Minimum Energy Efficiency Standards**

The Chargor must:

- 5.20.1 provide to the Trustee copies of all energy performance certificates and recommendation reports from time to time prepared or obtained by or on behalf of the Chargor that relate to the Mortgaged Property;
- 5.20.2 notify the Trustee promptly upon becoming aware of any Mortgaged Property being or becoming "sub-standard" for the purposes of The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015; and
- 5.20.3 comply with all reasonable requirements of the Trustee in relation thereto.

5.21 **Access**

The Chargor must permit (or procure the permission of any tenant in possession of the Mortgaged Property) the Trustee and any person nominated by it, at all reasonable times within normal business hours and on reasonable notice, to enter any part of the Mortgaged Property and view the state of it.

5.22 **Commonhold**

The Chargor shall not convert any freehold estate comprised in the Mortgaged Property to a freehold estate in commonhold under Part 1 of the Commonhold and Leasehold Reform Act 2002.

5.23 **Investigation of title**

The Chargor must grant the Trustee or its lawyers on reasonable request all facilities within the power of the Chargor to enable the Trustee or its lawyers (at the expense of the Chargor) to:

- 5.23.1 carry out investigations of title to the Mortgaged Property; and
- 5.23.2 make such enquiries in relation to any part of the Mortgaged Property as a prudent mortgagee might carry out.

5.24 **Report on title**

The Chargor must, as soon as practicable after a request by the Trustee, provide the Trustee with a report on title of the Chargor to the Mortgaged Property concerning those items which may properly be sought to be covered by a prudent mortgagee in a lawyer's report of this nature.

5.25 **Negotiations with local or other authority**

The Chargor shall not conduct any negotiations or make any agreement with any local or other authority concerning the acquisition of the Mortgaged Property without the consent of the Trustee (such consent not to be unreasonable withheld or delayed)..

5.26 **Power to remedy**

- 5.26.1 If the Chargor fails to perform any covenant in this Clause 5 affecting the Mortgaged Property, the Chargor must allow the Trustee or their agents and contractors to take any action as the Trustee may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice served on the Chargor in respect of the Mortgaged Property.
- 5.26.2 The Chargor shall, within three Business Days of request by the Trustee, pay the costs and expenses of the Trustee or their agents and contractors incurred in connection with any action taken by them under this Clause.

5.27 **Notifiable events**

5.27.1 The Chargor shall promptly notify the Trustee upon becoming aware that:

5.27.1.1 any event has occurred in respect of the Chargor which would (or would if the Chargor were an employer in relation to the Scheme within the meaning set out in section 318 of the Pensions Act 2004 and regulations made thereunder) require notification to the Pensions Regulator in accordance with section 69 of the Pensions Act 2004 and any regulations and directions made thereunder;

5.27.1.2 any representation made or deemed to be made by the Chargor under this Deed is or proves to have been incorrect or misleading when made or deemed to be made; and

5.27.1.3 any representation made by the Chargor under this Deed would be (if it were deemed to be repeated at any time) incorrect or misleading when made or deemed to be made.

5.27.2 If on or about each anniversary of the date of this Deed, the Chargor is aware that any representation which is to be repeated under Clause 4.16.2 (*Times for making representations*) will be or is reasonably likely to be incorrect or misleading when repeated pursuant to Clause 4.16.2 (*Times for making representations*), the Chargor shall promptly notify the Trustee.

6. **DEFAULT**

6.1 **Events of Default**

Each of the events set out in this Clause 6 is an Event of Default.

6.2 **Breach of this Deed**

The Chargor does not comply with any term of this Deed unless the non-compliance is capable of remedy and:

6.2.1 in the case of a failure to pay caused by an administrative or technical error and payment is made within three Business Days of its due date; or

6.2.2 in any other case, is remedied within 14 days of the earlier of: (1) the Trustee giving notice; and (2) the Chargor becoming aware of the non-compliance.

6.3 **Misrepresentation**

A representation made or repeated by the Chargor in this Deed is incorrect or misleading in any material respect when made or deemed to be repeated, unless the circumstances giving rise to the misrepresentation:

6.3.1 are capable of remedy; and

6.3.2 are remedied within 14 days of the earlier of the Trustee giving notice and the Chargor becoming aware of the circumstances giving rise to the misrepresentation.

6.4 **Insolvency**

An Insolvency Event occurs in respect of the Chargor.

6.5 Insolvency proceedings

6.5.1 Except as provided in Clause 6.5.2 below, any Insolvency Proceeding occurs in respect of the Chargor.

6.5.2 Clause 6.5.1 above does not apply to a petition for winding-up presented by a creditor which is being contested in good faith and with due diligence and is discharged or struck out prior to being advertised and in any event within 14 days.

6.6 Creditors' process

Any Creditors' Process occurs and affects any assets of the Chargor.

6.7 Cessation of business

The Chargor ceases, or threatens to cease, to carry on business.

6.8 Effectiveness of this Deed

6.8.1 It is or becomes unlawful for the Chargor to perform any of its obligations under this Deed.

6.8.2 This Deed is not effective in accordance with its terms or is alleged by the Chargor to be ineffective in accordance with its terms for any reason.

6.8.3 The Chargor repudiates this Deed or evidences an intention to repudiate this Deed.

6.9 Material adverse change

Any event or series of events occurs which has a Material Adverse Effect.

7. WHEN SECURITY BECOMES ENFORCEABLE

7.1 Event of Default

This Security will become immediately enforceable if an Event of Default occurs.

7.2 Discretion

After this Security has become enforceable, the Trustee may in its absolute discretion enforce all or any part of this Security in any manner they see fit.

7.3 Power of sale

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

8. ENFORCEMENT OF SECURITY

8.1 General

8.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

8.1.2 Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

- 8.1.3 The statutory powers of leasing conferred on the Trustee are extended so as to authorise the Trustee to lease, make agreements for leases, accept surrenders of leases and grant options as the Trustee may think fit and without the need to comply with any provision of section 99 or 100 of the Act.

8.2 **No liability as mortgagee in possession**

Neither the Trustee nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

8.3 **Privileges**

Each Receiver and the Trustee is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

8.4 **Protection of third parties**

No person (including a purchaser) dealing with the Trustee or a Receiver or its or his agents will be concerned to enquire:

- 8.4.1 whether the Secured Liabilities have become payable;
- 8.4.2 whether any power which the Trustee or a Receiver is/are purporting to exercise has become exercisable or is being properly exercised;
- 8.4.3 whether any money remains due in respect of the Secured Liabilities;
- 8.4.4 how any money paid to the Trustee or to that Receiver is to be applied; or
- 8.4.5 about any propriety or regularity on the part of the Trustee or of a Receiver in relation to any of the dealings referred to in this Clause 8.

8.5 **Redemption of prior mortgages**

- 8.5.1 At any time after this Security has become enforceable, the Trustee may:
- 8.5.1.1 redeem any prior Security Interest against any Security Asset; and/or
 - 8.5.1.2 procure the transfer of that Security Interest to themselves; and/or
 - 8.5.1.3 settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- 8.5.2 The Chargor must pay to the Trustee, immediately on demand, the costs and expenses incurred by the Trustee in connection with any such redemption and/or transfer, including the payment of any principal or interest.

9. **RECEIVER**

9.1 **Appointment of Receiver**

- 9.1.1 Except as provided below, the Trustee may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
- 9.1.1.1 this Security has become enforceable; or

9.1.1.2 the Chargor so requests the Trustee in writing at any time.

9.1.2 Any appointment under Clause 9.1.1 above may be by deed, under seal or in writing under its hand.

9.1.3 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.

9.1.4 The Trustee is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.

9.2 **Removal**

The Trustee may by writing (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by them and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

9.3 **Remuneration**

The Trustee may fix the remuneration of any Receiver appointed by them from time to time, the maximum rate specified in section 109(6) of the Act will not apply and the remuneration of the Receiver shall be a debt secured by this Deed which shall be due and payable immediately upon its being paid by the Trustee.

9.4 **Agent of the Chargor**

9.4.1 A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.

9.4.2 The Trustee will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

9.5 **Relationship with the Trustee**

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Trustee in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

10. **POWERS OF RECEIVER**

10.1 **General**

10.1.1 A Receiver has all of the rights, powers and discretions set out below in this Clause 10 in addition to those conferred on it by any law; this includes all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.

10.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

10.2 **Possession**

A Receiver may take immediate possession of, get in and collect any Security Asset.

10.3 Carry on business

A Receiver may carry on any business of the Chargor in any manner he thinks fit.

10.4 Employees

10.4.1 A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.

10.4.2 A Receiver may discharge any person appointed by the Chargor.

10.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit.

10.6 Sale of assets

10.6.1 A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit.

10.6.2 The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.

10.6.3 Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

10.7 Leases

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

10.8 Works

A Receiver may alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and abandon, complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land).

10.9 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset.

10.10 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit.

10.11 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

10.12 Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset.

10.13 Delegation

A Receiver may delegate his powers in accordance with this Deed.

10.14 Lending

A Receiver may lend money or advance credit to any customer of the Chargor.

10.15 Protection of assets

A Receiver may:

10.15.1 effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;

10.15.2 commence and/or complete any building operation; and

10.15.3 apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit.

10.16 Other powers

A Receiver may:

10.16.1 do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;

10.16.2 exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset; and

10.16.3 use the name of the Chargor for any of the above purposes.

11. APPLICATION OF PROCEEDS

11.1 Any moneys received by the Trustee or any Receiver after this Security has become enforceable must be applied in the following order of priority:

11.1.1 in or towards payment of or provision for all costs and expenses incurred by the Trustee or any Receiver under or in connection with this Deed, of all remuneration due to any Receiver under or in connection with this Deed and the discharge of any liabilities incurred by any Receiver in, or incidental to, the exercise of any of their powers;

11.1.2 in or towards payment of or provision for the Secured Liabilities; and

11.1.3 in payment of the surplus (if any) to the Chargor or other person entitled to it.

11.2 This Clause 11 is subject to the payment of any claims having priority over this Security. This Clause 11 does not prejudice the right of the Trustee to recover any shortfall from the Chargor.

12. **EXPENSES AND INDEMNITY**

12.1 **Amendment costs**

If the Chargor requests an amendment, waiver or consent, or delivers any Proposals, the Chargor shall, within three Business Days of demand, reimburse the Trustee for the amount of all costs and expenses (including legal fees) reasonably incurred by the Trustee in responding to, evaluating, negotiating or complying with that request or those Proposals.

12.2 **Enforcement and preservation costs**

The Chargor shall, within three Business Days of demand, pay to the Trustee the amount of all costs and expenses (including legal fees) incurred by the Trustee in connection with the enforcement of or the preservation of any rights under this Deed or this Security and any proceedings instituted in any jurisdiction by or against the Trustee as a consequence of taking, holding or enforcing this Deed or this Security.

12.3 **Stamp taxes and fees**

The Chargor shall pay and, within three Business Days of demand, indemnify the Trustee against any cost, loss or liability that the Trustee incurs in relation to all stamp duty, stamp duty land tax, registration and other similar Tax and fees payable in respect of this Deed.

12.4 **Chargor default**

The Chargor shall, within three Business Days of demand, indemnify the Trustee against any cost, expense loss or liability incurred by the Trustee as a result of:

- 12.4.1 the occurrence of any Event of Default in relation to the Chargor;
- 12.4.2 investigating any event which it reasonably believes is an Event of Default in relation to the Chargor;
- 12.4.3 the use or occupation by any person of the Security Assets (including any Environmental Claim); or
- 12.4.4 any default by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed.

12.5 **Value added taxes**

- 12.5.1 Any amount payable under this Deed by the Chargor is exclusive of any value added tax or any other Tax of a similar nature which might be chargeable in connection with that amount. If any such Tax is chargeable, the Chargor must pay to the Trustee (in addition to and at the same time as paying that amount) an amount equal to the amount of that Tax.
- 12.5.2 If the Chargor is required by this Deed to reimburse or indemnify the Trustee for any cost or expense, the Chargor shall reimburse or indemnify (as the case may be) the Trustee for the full amount of such cost or expense, including such part thereof as a value added tax or any other Tax of a similar nature, save to the extent that the Trustee reasonably determine that they are entitled to a credit or repayment in respect of such Tax from the relevant tax authority.

12.6 **Tax gross-up**

- 12.6.1 The Chargor must make all payments to be made by it under this Deed without any Tax Deduction, unless a Tax Deduction is required by law.
- 12.6.2 If the Chargor is aware or becomes aware that it must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction), it must promptly notify the Trustee.
- 12.6.3 If a Tax Deduction is required by law to be made by the Chargor or the Trustee, the amount of the payment due from the Chargor will be increased to an amount which (after making the Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- 12.6.4 If the Chargor is required to make a Tax Deduction, the Chargor must make the minimum Tax Deduction required by law and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- 12.6.5 Within 30 days of making either a Tax Deduction or a payment required in connection with a Tax Deduction, the Chargor must deliver to the Trustee evidence satisfactory to them (acting reasonably) that the Tax Deduction has been made or (as applicable) the appropriate payment has been paid to the relevant taxing authority.

13. **DELEGATION**

13.1 **Power of Attorney**

The Trustee or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by them or it under this Deed.

13.2 **Terms**

Any such delegation may be made upon any terms (including power to sub-delegate) which the Trustee or any Receiver may think fit.

13.3 **Liability**

The Trustee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

14. **FURTHER ASSURANCES**

14.1 The Chargor must, at its own expense, take whatever action the Trustee or a Receiver may require for:

- 14.1.1 creating, perfecting or protecting any Security Interest intended to be created by this Deed;
- 14.1.2 facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Trustee or any Receiver or any of their or its delegates or sub-delegates in respect of any Security Asset; or
- 14.1.3 including:
 - 14.1.3.1 the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Trustee or their nominee; or

14.1.3.2 the giving of any notice, order or direction and the making of any registration,

which, in any such case, the Trustee may think expedient.

14.2 The Trustee irrevocably and unconditionally agrees, at the request and cost of the Chargor, to take whatever action is necessary to release the Security Assets from this Security including executing and delivering to the Chargor all instruments of release as are necessary or desirable to effectuate, or reflect on the public record, the reassignment, waiver, termination, retransfer, release and discharge of the security created by this Deed in all relevant jurisdictions (including without limitation all filings to be made with public authorities and registrars):

14.2.1 provided that this Security has not become enforceable, upon the occurrence of the Effective Date; or

14.2.2 if earlier, at the end of the Security Period.

For the avoidance of doubt, the Security created under this Deed shall not be enforceable after the Effective Date has occurred.

14.3 **Retained Land – Right of way**

14.3.1 For the purposes of this clause only, the following definitions shall apply:

14.3.1.1 **"Access Roads"** means the access roads the current position of which is shown coloured blue on Plan 3 and any relocated position from time to time of access roads with the Property between the relevant Charged Property and the public highway;

14.3.1.2 **"Chargor Trigger Event"** means the Sale of the whole or any part of the Retained Land by the Chargor or a Receiver;

14.3.1.3 **"Property"** means the freehold property known as St Andrew's Hospital, Billing Road, Northampton NN1 5DG registered at the Land Registry with Title Absolute under title number NN272901;

14.3.1.4 **"Receiver"** means any receiver administrator administrative receiver or manager appointed by the Trustee under this legal charge or pursuant to any statute including the Law of Property Act 1925 or the Insolvency Act 1986;

14.3.1.5 **"Relevant Charged Property"** means the Security Assets as set out in the table in Schedule 1 (*Real property*);

14.3.1.6 **"Retained Land"** means the whole of the Property but:

(a) excluding the Relevant Charged Property; and

(b) including where applicable any part of the Relevant Charged Property released by the Trustee after the date of this Deed from the Security created by this Deed;

14.3.1.7 **"Rights"** means the rights:

(a) in common with the owners of the Retained Land and those authorised by them to a right of way with or without vehicles at all times and for all purposes over the Access Road and other access roads within the Retained Property then used by the relevant Charged Property (shown for information only as the access roads which are not shaded blue on Plan 3) to and from the publicly maintained highway subject to the owners of the

Relevant Charged Property paying a fair and reasonable proportion according to use of all costs incurred by the owner of the Retained Land in keeping the Access Road in good repair and condition;

- (b) the right to use services under on or over the Retained Land or the Relevant Charged Property (as appropriate) and the public highway; and
 - (c) the right for the owner of the Relevant Charged Property to install inspect maintain and repair replace and renew new services between the Property and the public highway in under or over the Access Roads in locations previously approved by the Chargor (such approval not to be unreasonably withheld or delayed) and complying with the Chargors reasonable requirements with regards to access and carrying out any works on the Access Road;
- 14.3.1.8 **"Sale"** means a freehold sale of the whole or any part of the Retained Land or a freehold or leasehold disposal of the whole or any part of the Access Roads;
- 14.3.1.9 **"Trustee Trigger Event"** means the sale of the whole or any part of the Relevant Charged Property by the Trustee or a Receiver.

14.3.2 **Trustee Trigger Event**

On each Trustee Trigger Event or Chargor Trigger Event, the transfer of the Relevant Charged Property or the part of it being sold or the Retained Land or part of it being disposed of (the **"Disposed Land"**) will grant for the benefit of the Relevant Charged Property or the Retained Land (as appropriate) the Rights over the Retained Land or the Relevant Charged Property (as appropriate) to the extent that those rights are capable of being granted and take effect as legal easements on the transfer of the Disposed Land.

14.3.3 **Chargor's Obligations on a Trustee Trigger Event**

To the extent necessary to ensure that all of the requirements set out in Clause 14.3.2 are complied with in relation to the Retained Land (and where relevant any remaining part or parts of the Relevant Charged Property), the Chargor will be a party to and execute the transfer of the Disposed Land.

14.3.4 **Power of attorney**

The Chargor irrevocably appoints the Trustee by way of security to be the Attorney of the Chargor with full power to appoint substitute and to sub-delegate for the purposes set out in Clause 14.3.3.

14.3.5 **Transfers of part of the Property**

The Trustee and the Chargor acknowledge and agree that the Rights comprise the basic terms that are to be contained in any transfer of any part of the Relevant Charged Property or the Retained Land (as appropriate) required under Clause 14.3.3 and that such a transfer will contain the detailed wording required to give effect to the basic terms of the Rights.

14.3.6 **Preparation of the draft transfer**

- 14.3.6.1 In relation to a Trustee Trigger Event, the terms of any transfer of any part of the Disposed Land required under Clause 14.3.3 will be drafted by the Trustee and copies of the draft transfer

will be provided to the Chargor at the same time as a copy is sent to the proposed transferee's solicitors.

14.3.6.2 A completed copy of such transfer complying with the requirements of Clause 14.3.3 will be provided to the Chargor within five working days of completion of the same.

14.3.6.3 In the case of a Chargor Trigger Event, the terms of the transfer shall be submitted by the Chargor to the Trustee at the same time as a copy is sent to the disponent's solicitor.

14.3.7 Disponent's Covenant

14.3.7.1 On any Sale or legal mortgage of the Access Road which does not result in the Right being granted the Grantor (or its successor in title) will procure from the disponent a covenant in favour of the Trustee to comply with the terms of this clause 14.3.

14.3.7.2 The Chargor agrees not to make any Sale which would have the effect of impairing the right of the Property to use the Access Road for access and the running of services to and from the public highway in a Trustee Trigger Event.

14.3.8 Restriction on Title

The Chargor consents to the entry of the following restriction against the Chargor's title to the Access Road at HM Land Registry following the registration of this agreement and shall provide the Trustee with all necessary assistance and/or documentation to permit entry of the restriction:

"No disposition of the part of the registered estate shown coloured blue on Plan 3 by the proprietor of the registered estate or by the proprietor of any registered Charge, not being a Charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the security agreement dated [DATE] in favour of St Andrew's Pension Trustees Limited as trustee of the St Andrew's Healthcare Pension Scheme referred to in the Charges Register (or a conveyancer) that the provisions of clause 14.3 of the security agreement dated [] between (1) St Andrew's Healthcare (2) St Andrew's Pension Trustees Limited (3) the directors of St Andrew's Healthcare (as more particularly specified in Schedule 3 of that security agreement) have been complied with in relation to that disposal or do not apply to that disposal"

15. POWER OF ATTORNEY

15.1 The Chargor, by way of security, irrevocably and severally appoints the Trustee, each Receiver and any of the foregoing's delegates or sub-delegates to be its attorney to do any act, and execute and deliver any deed or other document, on behalf of and in the name of the Chargor, which the Chargor could be required to do or execute under any provision of this Deed, or which the Trustee in its opinion may consider necessary or desirable for perfecting its title to any of the Mortgaged Property or enabling the Trustee or the Receiver to exercise any of its rights or powers under this Deed.

15.2 The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 14.2.

16. **PRESERVATION OF SECURITY**

16.1 **Continuing security**

This Security is continuing and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

16.2 **Reinstatement**

16.2.1 If any discharge, release or arrangement is made by the Trustee in whole or in part on the faith of any payment, security or other disposition which is avoided, set aside, refunded or reduced under any applicable law or proves to have been invalid or must be restored in insolvency, liquidation, administration or otherwise without limitation, the liability of the Chargor under this Deed will continue as if the discharge, release or arrangement had not occurred.

16.2.2 The Trustee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

16.3 **Waiver of defences**

The liabilities and obligations of the Chargor under this Deed shall remain in full force and effect and will not be affected by any act, omission, neglect, event or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to the Chargor or the Trustee) including:

16.3.1 any time, waiver, consent or other accommodation granted to, or composition with, any person;

16.3.2 any release of any person under the terms of any composition or arrangement;

16.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;

16.3.4 any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

16.3.5 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;

16.3.6 any amendment, novation, supplement, extension or restatement (however fundamental and whether or not more onerous, and of whatsoever nature) or replacement of this Deed, and Secured Liability or any other document or security, including any agreement or document relating to the Scheme;

16.3.7 any unenforceability, illegality, invalidity or non-provability of any obligation of any person under this Deed, or any Secured Liability or any other document or security; or

16.3.8 any insolvency or similar proceedings.

16.4 **Chargor intent**

Without prejudice to the generality of Clause 16.3 (*Waiver of defences*) the Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Secured Liabilities.

16.5 **Immediate recourse**

The Chargor waives any right it may have of first requiring the Trustee (or the Trustee, agent or appointee on its behalf) to proceed against or enforce any other right or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law to the contrary.

16.6 **Appropriations**

The Trustee (or the Trustee, agent or appointee on its behalf) may at any time during the Security Period without affecting the liability of the Chargor under this Deed:

- 16.6.1 refrain from applying or enforcing any other moneys, security or rights held or received by the Trustee (or the Trustee or agent on its behalf) in respect of those amounts;
- 16.6.2 apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- 16.6.3 hold in an interest bearing suspense account any Net Enforcement Proceeds and any moneys received from the Chargor or on account of the Chargor's liability under this Deed including, without prejudice to the generality of the foregoing, until an Insolvency Event has occurred in relation to the Chargor.

16.7 **Non-competition**

- 16.7.1 Unless:
 - 16.7.1.1 the Security Period has expired; or
 - 16.7.1.2 the Trustee otherwise directs;
 - 16.7.1.3 the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising, under this Deed:
 - (a) be subrogated to any rights, security or moneys held, received or receivable by the Trustee;
 - (b) to claim any contribution or indemnity from any other guarantor of the Chargor's obligations or liabilities to make payments to the Scheme or in respect of any payment made or moneys received on account of the Chargor's liability under this Deed;
 - (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Trustee in respect of the Chargor's obligations or liabilities to make payments to the Scheme, or under or pursuant to any other guarantee or security taken by the Trustee pursuant to or in connection with such obligations or liabilities of the Chargor;
 - (d) to bring legal or other proceedings for an order requiring the Chargor to make any payment, or perform any obligation, in respect of any Secured Liability;
 - (e) to exercise any right of set-off against the Chargor; and/or
 - (f) to claim, rank, prove or vote as a creditor of the Chargor, or its estate in competition with the Trustee (or the Trustee or agent on their behalf).

- 16.7.2 If the Chargor receives any payment, distribution, benefit or security in relation to such rights it shall hold that payment, distribution, benefit or security on trust for the Trustee and promptly pay or transfer the same to the Trustee or in accordance with any directions given by the Trustee.

16.8 Additional security

This Security is in addition to and is not in any way prejudiced or affected by, and shall not merge with any other judgment, guarantee, security, right or remedy now or subsequently obtained or held by the Trustee for the discharge and performance of any of the Secured Liabilities.

17. CHANGES TO THE PARTIES

17.1 Assignments and transfers by the Chargor

The Chargor may not assign or transfer any of its rights and obligations under this Deed.

17.2 Assignments and transfers by the Trustee

17.2.1 The Chargor acknowledges that:

17.2.1.1 the rights and obligations of the Trustee under this Deed may be transferred in whole or in part to the Pension Protection Fund as a result of the operation of section 161 of and Schedule 6 to the Pensions Act 2004; and

17.2.1.2 the rights and obligations under this Deed shall be binding upon and enure for the benefit of any person who is for the time being a trustee of the Scheme including any person who succeeds or replaces a trustee of the Scheme.

17.2.2 The Trustee may at any time and from time to time (without consent or notice to the Chargor) assign and/or transfer any or all of its rights and/or obligations under this Deed to any person or persons who is for the time being a trustee of the Scheme.

18. AMENDMENTS

18.1 Any amendment of this Deed shall be in writing and signed by, or on behalf of, each Party.

18.2 Notwithstanding Clause 18.3 below, the Parties may agree any changes of any kind to this Deed, or to release the Chargor from this Deed, provided any such amendment or release is in writing and signed by, or on behalf of, each Party.

18.3 At any time while this Deed remains in force, the Chargor may submit to the Trustee a written proposal (each a "**Proposal**") to release the Chargor from its obligations (in part or in full) under this Deed.

18.4 The consent of the Trustee to a Proposal must not be unreasonably withheld or delayed.

18.5 Subject to Clause 18.4 above, upon notice of consent being delivered by the Trustee to the Chargor, the Parties shall (at the Chargor's expense pursuant to Clause 12.1 (*Amendment costs*)) promptly take all steps and execute all documents reasonably specified by the Trustee to implement such Proposal.

19. RELEASE

19.1 Release where oversecured

- 19.1.1 The definitions set out in Schedule 4 (*Release Criteria Definitions*) shall apply to this clause only.
- 19.1.2 The Chargor may, at any time, submit to the Trustee a request (the "**Release Request**") that some or all of the Security Assets be released from this Security.
- 19.1.3 The Chargor must, at the same time that it submits a Release Request to the Trustee, also provide the Trustee with:
 - 19.1.3.1 an Eligible Valuation in respect of:
 - (a) the assets and liabilities of the Scheme; and
 - (b) the Security Assets; and
 - 19.1.3.2 evidence of the amount of Deficit-Reduction Contributions made since the date of the most recent Eligible Valuation of the assets and liabilities of the Scheme.
- 19.1.4 The Trustee must, subject to Clause 19.1.6, consent to a Release Request if (but only to the extent that) the value of the Security Assets as at the date of that Release Request (as set out in the relevant Eligible Valuation) exceeds the Deemed Value of this Security at that time.
- 19.1.5 If the Trustee is satisfied that the value of the Security Assets (as set out in the relevant Eligible Valuation) as at the date of the Release Request exceeds the Deemed Value of this Security at that time then the Chargor and the Trustee shall, to the extent practicable, take whatever action is necessary to release the Security Assets from this Security to the extent that the value of the Security Assets as at the date of the Release Request exceeds the Deemed Value of this Security.
- 19.1.6 Clause 19.1.4 and Clause 19.1.5 above shall not apply if this Security has become enforceable.

20. **SUBSTITUTION OF PROPERTY**

- 20.1 The Chargor may, at any time, submit to the Trustee a request that there be substituted for any property forming part of the Mortgaged Property another property of not materially less value (the "**Substitute Property**").
- 20.2 The Chargor shall supply such information in relation to the proposed Substitute Property as the Trustee shall request for the purpose of considering the Chargor's request. If the Trustee in its absolute discretion consents to the proposed substitution then, subject to receipt by the Trustee of the documents and other items listed in Schedule 2 (*Conditions precedent to substitution*) in form and substance satisfactory to the Trustee, the Substitute Property will become part of the Mortgaged Property and the property for which the Substitute Property is to be substituted shall be released from this Security.
- 20.3 This Clause 20 shall not apply if this Security has become enforceable.

21. **CHARITIES ACT 2011**

- 21.1 The land charged by this Deed is held by the Chargor, a non-exempt charity, and this charge is not one falling within section 124(9) of the Charities Act 2011, so that the restrictions imposed by section 124 of that Act apply.
- 21.2 The Directors of the Chargor, being the persons who have the general control and management of its administration certify that:

- 21.2.1 they have power under the Chargor's Articles of Association to effect this Deed; and
- 21.2.2 they have obtained and considered such advice as is mentioned in section 124(2) of the Charities Act 2011.

22. **REMEDIES AND WAIVERS**

No failure to exercise nor any delay in exercising any right or remedy under this Deed against the Chargor shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

23. **SET-OFF**

The Trustee may set off any matured obligation owed to it by the Chargor under this Deed (to the extent beneficially owned by the Trustee) against any obligation (whether or not matured) owed by the Trustee to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Trustee may convert either obligation at a market rate of exchange selected by it (acting reasonably) for the purpose of the set-off.

24. **SEVERABILITY, REMEDIES AND WAIVERS**

- 24.1 If a term of this Deed is or becomes illegal, invalid or unenforceable in any respect in any jurisdiction, that shall not affect:
 - 24.1.1 the legality, validity or enforceability in that jurisdiction of any other term of this Deed; or
 - 24.1.2 the legality, validity or enforceability in other jurisdictions of that or any other term of this Deed.
- 24.2 No failure to exercise, nor any delay in exercising, on the part of the Trustee, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Trustee shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

25. **COUNTERPARTS**

This Deed may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

26. **CERTIFICATES AND DETERMINATIONS**

Any certification or determination by the Trustee of an amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

27. **NOTICES**

27.1 **In writing**

- 27.1.1 Any communication in connection with this Deed must be in writing and, unless otherwise stated, may be given in person, by post or email.
- 27.1.2 Unless it is agreed to the contrary, any consent or agreement required under this Deed must be given in writing.

27.2 Contact details

27.2.1 The contact details of the Chargor for this purpose are:

Address: St Andrew's Healthcare, Billing Road, Northampton, NN1 5DG

Attention: Kevin Mulhearn

27.2.2 The contact details of the Trustee are:

Address: St Andrew's Healthcare, Billing Road, Northampton, NN1 5DG

Attention: Duncan Long (dlong@stah.org) copied to John Bannister
(jwbannister@stah.org)

27.3 Effectiveness

27.3.1 Except as provided below, any communication in connection with this Deed will be deemed to be given as follows:

27.3.1.1 if delivered in person, at the time of delivery;

27.3.1.2 if posted, five days after being deposited in the post, postage prepaid, in a correctly addressed envelope; and

27.3.1.3 if sent by email, when actually received in readable form.

27.3.2 A communication given under Clause 27.3.1 above but not received on a Business Day or after 17:00 on a Business Day will only be deemed to be given on the next Business Day.

28. LANGUAGE

Any notice given in connection with this Deed must be in English.

29. GOVERNING LAW

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

30. ENFORCEMENT

30.1 Jurisdiction

30.1.1 The English courts have exclusive jurisdiction to settle any dispute in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed).

30.1.2 The Parties agree that the English courts are the most appropriate and convenient courts to settle any such dispute and accordingly no Party will argue to the contrary.

30.2 Waiver of immunity

The Chargor irrevocably and unconditionally:

30.2.1 agrees not to claim any immunity from proceedings brought by the Trustee against it in relation to this Deed and to ensure that no such claim is made on its behalf;

- 30.2.2 consents generally to the giving of any relief or the issue of any process in connection with those proceedings;
- 30.2.3 waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including immunity in respect of:
 - 30.2.3.1 the giving of any relief by way of injunction or order for specific performance or for the recovery of assets or revenues; and
 - 30.2.3.2 the issue of any process against its assets or revenues for the enforcement of a judgment or, in an action in rem, for the arrest, detention or sale of any of its assets and revenues; and
- 30.2.4 agrees that in any proceedings in England this waiver shall have the fullest scope permitted by the English State Immunity Act 1978 and that this waiver is intended to be irrevocable for the purposes of the English State Immunity Act 1978.

This Deed is executed as a deed and delivered on the date stated at the beginning of this Deed.

SCHEDULE 1

Real Property

Freehold land known as Malcolm Arnold House at St Andrew's Hospital, Billing Road, Northampton NN1 5DG shown edged red on Plan 1 attached forming part of the land registered at the Land Registry with Title Absolute under title number NN272901.

Freehold land known as Lowther Dementia Village at St Andrew's Hospital, Billing Road, Northampton NN1 5DG shown edged red on Plan 2 attached forming part of the land registered at the Land Registry with Title Absolute under title number NN272901.

SCHEDULE 2

Conditions Precedent to Substitution

1. A Supplemental Security Agreement in relation to the Substitute Property.
2. Board minutes of the Chargor authorising entry into the Supplemental Security Agreement.
3. A Certificate of Title in relation to the Substitute Property.
4. A Valuation in relation to the Substitute Property.

SCHEDULE 3

Directors

1. Ruth Elizabeth Bagley
2. Dawn Margaret Brodrick
3. Paul Kenneth Burstow
4. Dawn Patricia Chamberlain
5. Sanjith Kamath
6. Andrew Philip Lee
7. Vivienne Margaret Mcvey
8. Kevin Shaun Mulhearn
9. Stanton Peter Newman
10. Rupert Grosvenor Perry
11. Stephen Peter Shrubbs
12. Karen Pamela Turner

SCHEDULE 4

Release Criteria Definitions

1. Definitions

"Deemed Value" as at a Measurement Date means:

- (a) in respect of a Pension Protection Fund Recognised Arrangement which provides for a person to enter into a guarantee (other than a bank guarantee or letter of credit issued by a Regulated Entity) or for security to be granted, in each case in favour of the Trustee, the amount set opposite the description of that arrangement in the table below or (in the case of security only) the value of the assets which are subject to that security as set out in the most recent Eligible Valuation of those assets, if lower:

Description of arrangement	Deemed Value
Guarantee or security where the liability of the guarantor or chargor, or the amount recoverable from the guarantor or chargor (or the charged assets), is expressed to be limited to a fixed amount (and where a distinction is made between pre-insolvency and post-insolvency recoveries, the fixed amount associated with post-insolvency recoveries shall be relevant).	That fixed amount.
Guarantee or security where the liability of the guarantor or chargor, or the amount recoverable from the guarantor or chargor (or the charged assets), is expressed to be limited to either (A) an amount equal to the sum which, if added to the assets of the Scheme, would (on a specified date) result in the Scheme being funded to at least a specified percentage, calculated on the basis set out in Section 179 of the Pensions Act 2004, were a valuation on that basis to be conducted on or as at that date or to (B) the lower of the amount referred to in (A) and a fixed amount ("F") (and where a distinction is made between pre-insolvency and post-insolvency recoveries, (F) shall be the fixed amount associated with post-insolvency.)	The amount equal to the sum which, if added to the assets of the Scheme, would (on the Measurement Date) result in the Scheme being funded to at least that percentage, calculated on the basis set out in section 179 of the Pensions Act 2004, based on the assets and liabilities of the Scheme as set out in the most recent Eligible Valuation prior to the Measurement Date and adding any Eligible Deficit-Reduction Contributions as at that Measurement Date or, where (B) applies, the lower of such amount and F.
Guarantee or security where the liability of the guarantor or chargor, or the amount recoverable from the guarantor or chargor (or the charged assets), is expressed to be limited to either (A) an amount equal to the entire aggregate liability (on a specified date) of every employer (within the meaning set out in section	The amount equal to the sum which, if added to the assets of the Scheme, would (on the Measurement Date) result in the Scheme being funded to at least 125 per cent., calculated on the basis set out in section 179 of the Pensions Act 2004, based on the assets and liabilities of the Scheme as set out in the most recent Eligible

318 of the Pensions Act 2004 and regulations made thereunder) in relation to the Scheme, were a debt under section 75 of the Pensions Act 1995 to have become due on that date or to (B) the lower of the amount referred to in (A) and a fixed amount ("F") (and where a distinction is made between pre-insolvency and post-insolvency recoveries, (F) shall be the fixed amount associated with post-insolvency.).	Valuation prior to the Measurement Date and adding any Eligible Deficit-Reduction Contributions as at that Measurement Date or, where (B) applies, the lower of such amount and F.
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- (b) in respect of a Pension Protection Fund Recognised Arrangement which is a letter of credit or a bank guarantee issued by a Regulated Entity the undrawn and unexpired portion of that letter of credit or bank guarantee.

"Deficit-Reduction Contributions" means deficit-reduction contributions made to the Scheme calculated on the basis specified by the Pension Protection Fund in its most recently published policies.

"Eligible Deficit-Reduction Contributions" as at a Measurement Date means any Deficit-Reduction Contributions made or to be made to the Scheme between:

- (a) the date of the most recent Eligible Valuation prior to the Measurement Date; and
- (b) the Measurement Date, provided that:
 - (i) the Eligible Deficit-Reduction Contributions as at a Reference Date shall only include Deficit-Reduction Contributions which were validly certified to the Pension Protection Fund in accordance with its policies no later than six (6) days after that Reference Date; and
 - (ii) the Eligible Deficit-Reduction Contributions as at an Implementation Date shall comprise all Deficit-Reduction Contributions certified by the Scheme Actuary.

"Eligible Valuation" means:

- (a) in relation to the assets or liabilities of the Scheme, either:
 - (i) a valuation of those assets and liabilities carried out on the basis set out in section 179 of the Pensions Act 2004 and which has been provided to the Pension Protection Fund in accordance with section 179 of the Pensions Act 2004; or
 - (ii) a statement provided to the Trustee by the Scheme Actuary, setting out prudent approximations of the asset and liability figures which would have resulted if the Scheme Actuary had conducted a valuation on the basis set out in section 179 of the Pensions Act 2004 as at a specific date; and
- (b) in relation to an asset charged in favour of the Trustee, a valuation of that asset which complies with all requirements published by the Pension Protection Fund (whether in relation to the date or method of the valuation or otherwise) for the recognition of security over such an asset for the purposes of calculating the risk-based levy in accordance with Part 2 of the Pensions Act 2004 and which has been certified to the Pension Protection Fund in accordance with those requirements,

and references to "the most recent Eligible Valuation prior to" a date shall mean the Eligible Valuation which was so provided or certified on or prior to, and whose effective date is closest to, that date.

"Measurement Date" means the date on which any of the variables in this Schedule is measured.

"Pension Protection Fund Recognised Arrangement" means an arrangement constituted by an agreement in Pension Protection Fund Standard Form which satisfies all criteria specified by the Pension Protection Fund for recognition as a contingent asset for the purposes of calculating the risk-based levy in accordance with Part 2 of the Pensions Act 2004 and which has been the subject of a valid certification to the Pension Protection Fund in Pension Protection Fund Standard Form.

"Pension Protection Fund Standard Form" means, in relation to an agreement or a certificate, the standard form of that agreement or certificate most recently published by the Pension Protection Fund prior to the date on which that agreement was entered into or that certificate was given.

"Reference Date" means the 1 April immediately preceding any Proposal Date.

"Regulated Entity" means an entity which satisfies all criteria specified by the Pension Protection Fund for the issuer of a letter of credit or bank guarantee which will be recognised as a contingent asset for the purposes of calculating the risk-based levy in accordance with Part 2 of the Pensions Act 2004.

"Scheme Actuary" means the actuary to the Scheme.

SIGNATORIES

CHARGOR

EXECUTED AS A DEED by
ST ANDREW'S HEALTHCARE
in the presence of:

)
)
)

Director

[Redacted Signature]

Director

[Redacted Signature]

TRUSTEE

EXECUTED AS A DEED by
ST ANDREW'S PENSIONS TRUSTEES LIMITED as trustee for **ST ANDREW'S HEALTHCARE PENSIONS SCHEME**
in the presence of:

)
)
)
)
)

Director

[Redacted Signature]

Director

[Redacted Signature]

Executed as a deed on behalf of the directors of the
Chargor by **KEVIN MULHEARN and SANJITH KAMATH**, two of their number, under an authority
conferred pursuant to section 333 of the Charities
Act 2011, in the presence of:

[Redacted Signature]
Signature of director
[Redacted Signature]
Signature of director

[Redacted Signature]

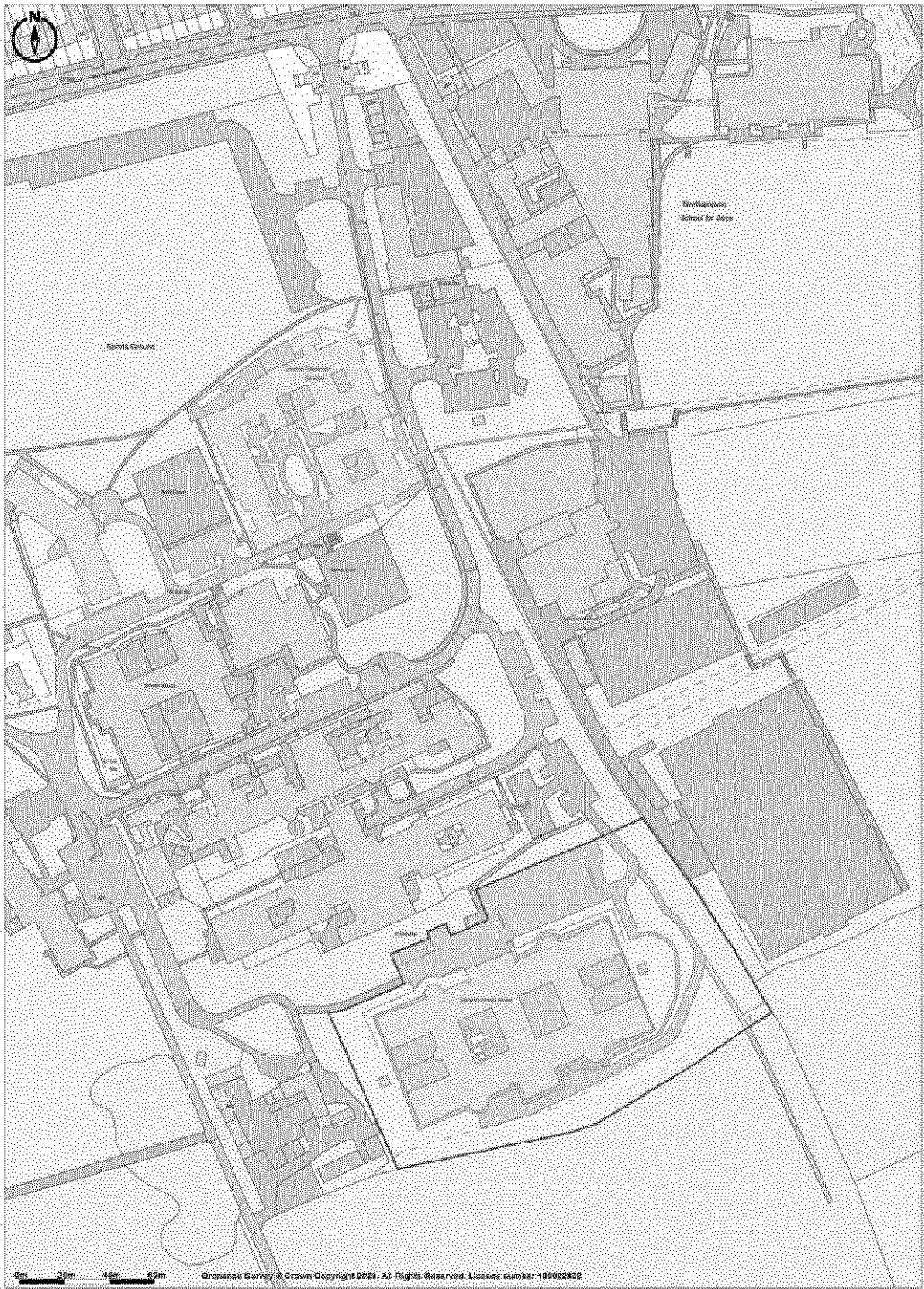
SIGNATURE OF WITNESS

NAME, Rachel Brown

ADDRESS AND Billing Road Northampton

OCCUPATION OF WITNESS Legal Director

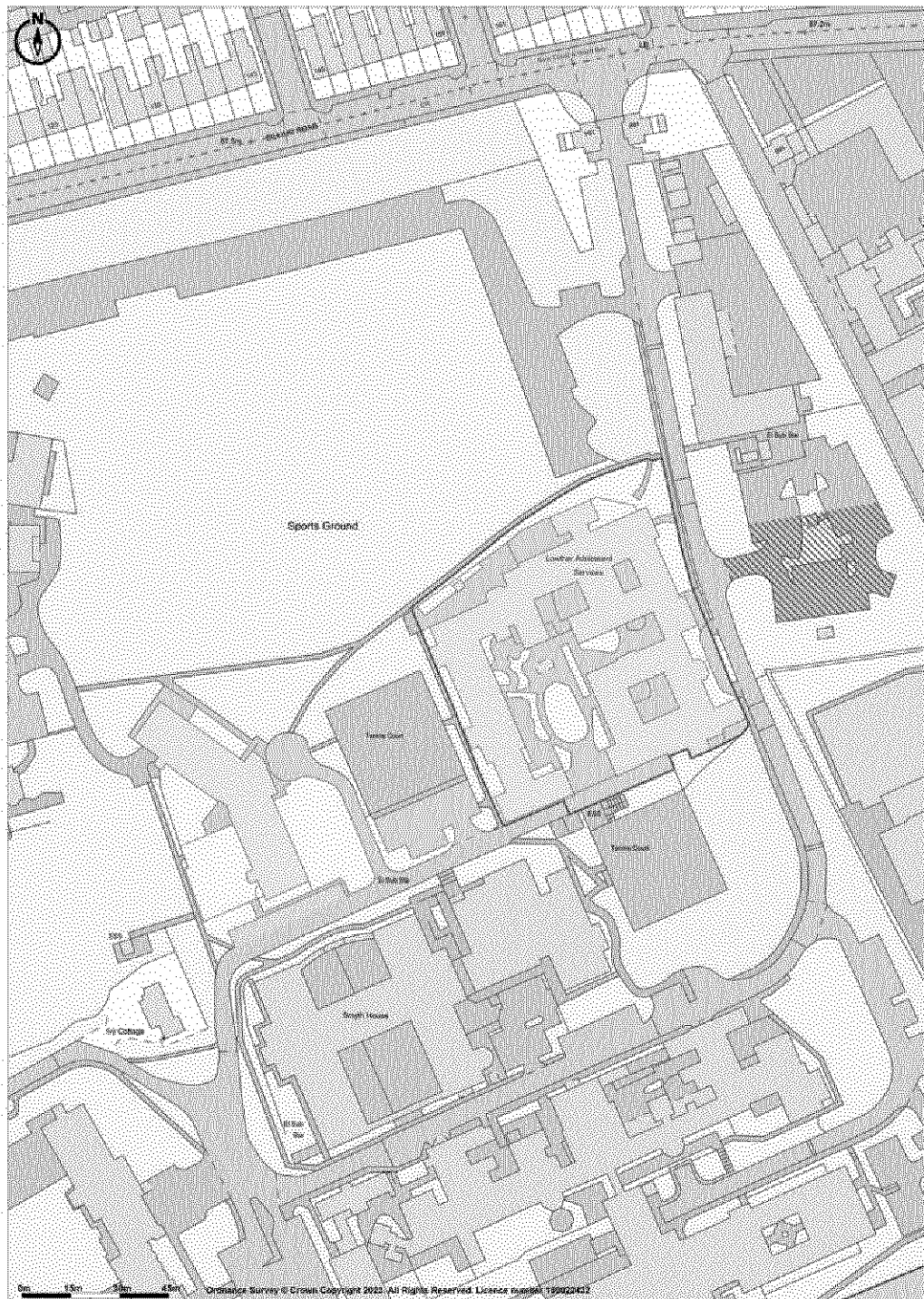
Plan 1



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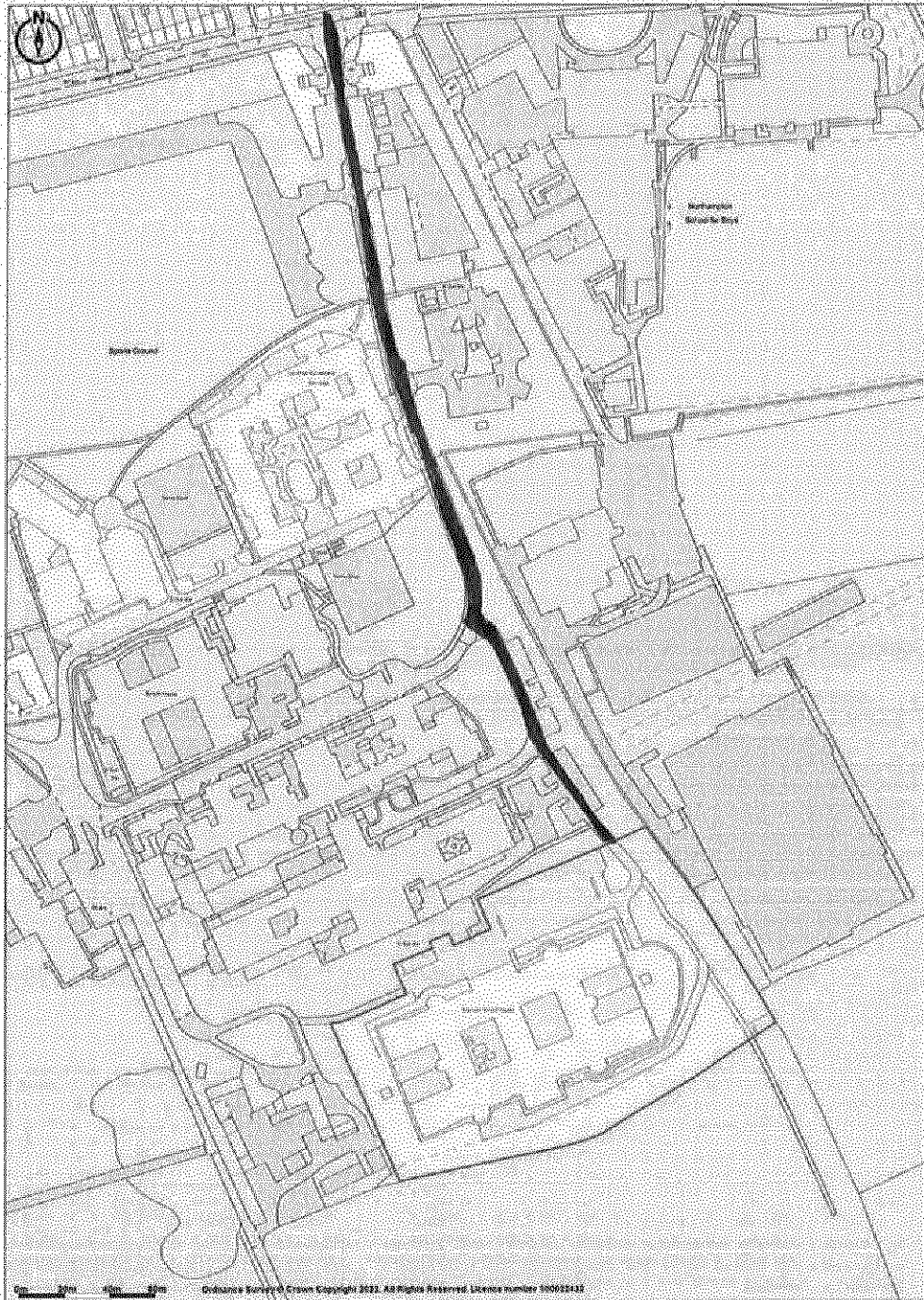
Plan 2



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Plan 3



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LANDMARK INFORMATION

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