

ACQUISITION BY ACADIA HEALTHCARE COMPANY, INC. OF PRIORY GROUP NO. 1 LIMITED

Undertakings given by Acadia Healthcare Company, Inc. to the Competition and Markets Authority pursuant to section 73 of the Enterprise Act 2002

Whereas:

- (a) Acadia Healthcare Company, Inc. (**Acadia**) completed the acquisition of Priory Group No. 1 Limited (**Priory**) on 16 February 2016 by way of a sale and purchase deed over the entire issued share capital of Priory (the **Transaction**) such that Acadia and Priory ceased to be distinct for the purposes of the Enterprise Act 2002 (the **Act**);
- (b) Under section 22(1) of the Act the Competition and Markets Authority (**CMA**) has a duty to refer a relevant merger situation for a Phase 2 investigation where it believes that it is or may be the case that the creation of that merger situation has resulted or may be expected to result in a substantial lessening of competition within any market or markets in the UK for goods or services;
- (c) Under section 73 of the Act the CMA may, instead of making such a reference and for the purpose of remedying, mitigating or preventing the substantial lessening of competition concerned or any adverse effect which has or may have resulted from it or may be expected to result from it, accept undertakings to take such action as it considers appropriate, from such of the parties concerned as it considers appropriate. In particular, the CMA shall have regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the substantial lessening of competition and any adverse effects resulting from it;
- (d) As set out in the CMA's decision of 14 July 2016 (the **Decision**), the CMA believes that, in the absence of appropriate undertakings, it would be under a duty to refer the Transaction for a Phase 2 investigation;
- (e) The CMA considers that the undertakings given below by Acadia are appropriate to remedy, mitigate or prevent the substantial lessening of competition, or any adverse effect which has or may have resulted from the

Transaction, or may be expected to result from it, as specified in the Decision;
and

- (f) The CMA made an Initial Enforcement Order applying to Acadia and PiC on 17 February 2016 in respect of the Transaction pursuant to section 72 of the Act for the purposes of preventing pre-emptive action (**IEO**). Pursuant to section 72(6)(b) of the Act, this IEO ceases to be in force on the acceptance by the CMA of the undertakings given below by Acadia.

NOW THEREFORE Acadia hereby gives to the CMA the following undertakings for the purpose of remedying, mitigating or preventing the substantial lessening of competition, or any adverse effect which has or may have resulted from it or may be expected to result from it.

1 EFFECTIVE DATE OF THE UNDERTAKINGS

- 1.1 These undertakings shall take effect from the date that, having been signed by Acadia, they are accepted by the CMA.

2 DIVESTMENT OF THE DIVESTMENT BUSINESS

- 2.1 Acadia shall, prior to the acceptance of these undertakings by the CMA, enter into a legally binding agreement or agreements to divest, to the satisfaction of the CMA, the Divestment Business, as a going concern, to the relevant Proposed Purchaser approved by the CMA.
- 2.2 Acadia shall complete to the satisfaction of the CMA the divestment of the Divestment Business as a going concern to the relevant Proposed Purchaser approved by the CMA by the end of the Divestment Period.
- 2.3 Acadia shall use all reasonable endeavours to ensure the transfer of Key Staff with the divestment of the Divestment Business, including, at the option of the Proposed Purchaser, the transfer of an executive management team with experience and managerial, operational and technical capability in operating and developing mental health facilities.
- 2.4 In the event that Acadia fails to complete the divestment of the Divestment Business in accordance with paragraphs 2.1 to 2.3 above, the CMA may, whether or not initiating the Trustee Functions as set out in paragraph 6

below, require Acadia to divest the Divestment Business as a going concern at no minimum price to a purchaser or purchasers approved by the CMA.

3 APPROVAL OF PURCHASER AND TERMS OF DIVESTMENT

- 3.1 For the purposes of the CMA approving a Proposed Purchaser of the Divestment Business in accordance with these undertakings, Acadia shall, save as required or permitted by the CMA, satisfy the CMA that:
- (a) the acquisition by the Proposed Purchaser of the Divestment Business, on the terms set out above, remedies, mitigates or prevents the substantial lessening of competition concerned or any adverse effect which has or may have resulted from it, or may be expected to result from it, in particular having regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the substantial lessening of competition and any adverse effects resulting from it;
 - (b) the Proposed Purchaser is independent of, and has no material connection to, Acadia and the Group of Interconnected Bodies Corporate to which Acadia belongs and any Associated Person or Affiliate of Acadia or such Group of Interconnected Bodies Corporate;
 - (c) the Proposed Purchaser has the financial resources, expertise (including the managerial, operational and technical capability whether independently or pursuant to the transfer of the executive management team by Acadia in accordance with paragraph 2.3 above,) incentive and intention to maintain and operate the Divestment Business as a viable and active business in competition with Acadia and other competitors in the provision of mental healthcare services from the date of completion of the divestment of the Divestment Business;
 - (d) the Proposed Purchaser has obtained or is reasonably to be expected to obtain all necessary approvals, licences and consents from any regulatory or other authority, including (where applicable) landlord's consent to the transfer of any leasehold interest; and
 - (e) the acquisition by the Proposed Purchaser of the Divestment Business does not create a realistic prospect of a substantial lessening of competition within any market or markets in the UK.

- 3.2 The CMA may require Acadia to provide it with such information and documentation as it may reasonably require to satisfy the CMA that the Proposed Purchaser will fulfil the requirements in paragraph 3.1 above.

4 COMPLIANCE WITH TERMS OF THE TRANSITIONAL SERVICES AGREEMENT

- 4.1 Acadia shall enter into the Transitional Services Agreement with the Proposed Purchaser in the form agreed by the CMA and shall comply with the terms of that agreement.
- 4.2 In the event that Acadia fails to comply with the terms of the Transitional Services Agreement to the satisfaction of the CMA, the CMA may give written directions to Acadia to take such steps as may be specified or described in the directions for the purpose of securing Acadia's compliance with its obligations under the Transitional Services Agreement.

5 APPOINTMENT OF A TRUSTEE

- 5.1 The provisions of paragraph 5.2 to 5.7 below shall apply only as long as Acadia has not satisfied, or where the CMA has reasonable grounds for believing that Acadia will not satisfy, all or any part of the obligations under paragraphs 2.1 to 4.2 above.
- 5.2 Within 5 Working Days of the CMA notifying Acadia in writing that it must do so, Acadia shall propose to the CMA for approval:
- (a) the names of at least two individuals to exercise the Trustee Functions; and
 - (b) the full terms of a mandate in accordance with which the Trustee shall carry out the Trustee Functions.
- 5.3 Acadia and/or any individuals nominated pursuant to paragraph 5.2 shall satisfy the CMA that, save as required or permitted by the CMA:
- (a) such nominated individuals have the necessary qualifications to carry out their mandates, and are employees or partners of an investment bank, retail bank, commercial property agent, building society or law firm or accountancy firm with an established reputation either nationwide or in a substantial part of the UK or in another EU member state;
 - (b) such nominated individuals are each independent of Acadia and of the Group of Interconnected Bodies Corporate to which Acadia belongs and of any Associated Person or Affiliate of Acadia or of such Group of

Interconnected Bodies Corporate and of any Proposed Purchaser of the Divestment Business to be sold pursuant to these undertakings, and, in the reasonable opinion of Acadia, are appropriate to be appointed as Trustee; and

- (c) such nominated individuals neither are, nor are likely to become, exposed, either directly or indirectly, to a conflict of interest that impairs or may be likely to impair their objectivity or independence in discharging the Trustee Functions.

5.4 Within two Working Days of the CMA approving, at its discretion, one or more of the persons nominated by Acadia and their proposed mandates pursuant to paragraph 5.2 above, and subject to any modifications the CMA deems necessary for the Trustee to carry out the Trustee Functions, Acadia shall use its best endeavours to appoint from the persons so approved one person to carry out the Trustee Functions in accordance with the mandate approved by the CMA pursuant to paragraph 5.2 above.

5.5 In the event that:

- (a) Acadia fails to propose any person or persons in accordance with paragraph 5.2 above; or
- (b) none of the persons proposed by Acadia pursuant to paragraph 5.2 is approved by the CMA; or
- (c) Acadia is unable for any reason to appoint within the time limit stipulated in paragraph 5.4 above any such person following approval by the CMA,

Acadia shall use its best endeavours to appoint from persons nominated by the CMA one person to carry out the Trustee Functions on the terms of a mandate approved by the CMA. Acadia shall use its best endeavours to make such appointment within 5 Working Days of receiving the nominations from the CMA.

5.6 The appointment of the Trustee pursuant to paragraph 5.4 or paragraph 5.5 above shall be irrevocable unless:

- (a) a conflict of interest that impairs or may be likely to impair the objectivity or independence of the Trustee in discharging the Trustee Functions arises;
- (b) the Trustee ceases to perform the Trustee Functions; or

- (c) the CMA is otherwise satisfied that there is good cause for the appointment to be terminated in advance of the satisfactory fulfilment of the Trustee Functions.

5.7 In the event that the appointment of the Trustee is terminated in accordance with paragraph 5.6 above, Acadia shall, if requested to do so in writing by the CMA, use its best endeavours to appoint from persons nominated by the CMA one person to carry out the Trustee Functions in accordance with such mandate as is approved by the CMA. Acadia shall use its best endeavours to make such appointment within seven Working Days of receiving the nominations from the CMA. Where required by the CMA, the outgoing Trustee shall continue as Trustee until a new Trustee is in place and a full handover of all relevant information has taken place.

6 THE MANDATE

- 6.1 The terms of the mandate proposed by Acadia pursuant to paragraph 5.2 above shall, as a minimum, contain all provisions necessary to enable the Trustee to carry out the Trustee Functions including, without limitation to the generality of this paragraph:
- (a) an exclusive, irrevocable mandate to sell the Divestment Business as required by paragraph 7.1 below to a purchaser as directed or approved in writing in advance by the CMA at no minimum price and on such reasonable terms and conditions as the Trustee considers appropriate to effect an expedient sale;
 - (b) a mandate to take any other steps necessary for, or incidental to, the Trustee's mandate under sub-paragraph (a) above;
 - (c) a comprehensive power of attorney to the Trustee (including the authority to grant sub-powers of attorney to the Trustee's officers, employees and agents) to enable it to take all steps necessary or appropriate to effect the sale of the Divestment Business;
 - (d) a mandate to comply with any orders and/or directions given by the CMA; and
 - (e) a mandate to appoint at Acadia's expense such advisers as the CMA and/or the Trustee reasonably considers necessary or appropriate in connection with the performance of the Trustee Functions.

7 FUNCTIONS OF TRUSTEE

- 7.1 The Trustee shall seek to procure, within such period as may be specified in writing by the CMA, the completion of the sale of the Divestment Business at no minimum price, to a purchaser or purchasers approved by the CMA in accordance with paragraph 7.3 below and, if appropriate, shall seek to procure that Acadia complies with the Transitional Services Agreement (and any directions made by the CMA that relate to that agreement).
- 7.2 Without prejudice to the generality of paragraph 7.1 above, the Trustee shall take the following measures in relation to the Divestment Business to the extent to which such measures may be necessary to effect the divestment of the Divestment Business in accordance with the provisions of these undertakings:
- (a) the transfer or vesting of property, assets, rights, personnel, liabilities or obligations (including without prejudice any contracts, licences, authorisations, permits or consents);
 - (b) any other transfer of interests that will take effect with the sale;
 - (c) the adjustment of contracts, whether by discharge or reduction or assignment of any liability or obligation or otherwise;
 - (d) the creation, allotment, transfer, surrender or cancellation of any shares, stock or securities; and
 - (e) the formation or winding up of a company.
- 7.3 The Trustee shall not sell or permit the divestment of the Divestment Business to a Proposed Purchaser unless it has been directed to do so by the CMA or has obtained the CMA's prior written approval in respect of the identity of that Proposed Purchaser. The Trustee shall notify the CMA of the identity of a Proposed Purchaser as soon as reasonably practicable prior to the signing of a legally enforceable agreement and in any event at least 20 Working Days in advance of the proposed completion of the proposed sale and purchase agreement in question.
- 7.4 Pending the divestment of the Divestment Business pursuant to paragraph 7.1 above, the Trustee shall monitor Acadia's compliance with its obligations under paragraph 8.1 and paragraph 8.2 below and shall promptly take such measures as it considers necessary to ensure such compliance, as well as

reporting in writing to the CMA, if the Trustee concludes on reasonable grounds that Acadia is failing or will fail to comply with such obligations.

- 7.5 The Trustee may give written directions to Acadia to take such steps as may be specified or described in the directions for the purpose of securing Acadia's compliance with its obligations under these undertakings or enabling the Trustee to carry out the Trustee Functions. The Trustee may not require Acadia to:
- (a) offer any reverse premium or similar inducement to a purchaser; or
 - (b) accept any actual or contingent liability towards a purchaser or otherwise in connection with the divestment of the Divestment Business which would be unusual in scope, duration or financially, having regard to the price and usual market practice in relation to similar disposals.
- 7.6 The Trustee shall, as soon as reasonably practicable, comply at all times with any reasonable instructions or written directions made by the CMA for the purposes of carrying out or securing compliance with the undertakings (or any matter incidental thereto) and shall provide to the CMA such information and reports in relation to the carrying out of the Trustee Functions as the CMA may require. The Trustee shall promptly report in writing to the CMA if the Trustee concludes on reasonable grounds that Acadia is failing or will fail to comply with any of its obligations under these undertakings.
- 7.7 For the purpose of fulfilling the Trustee Functions, the Trustee shall not be bound by instructions of Acadia nor shall the Trustee Functions be extended or varied in any way by Acadia save with the prior express written consent of the CMA.

8 OBLIGATIONS OF ACADIA FOLLOWING APPOINTMENT OF TRUSTEE

- 8.1 Acadia shall not give any instruction or request to the Trustee which conflicts with the Trustee Functions.
- 8.2 Acadia shall take all such steps as are reasonably necessary to enable the Trustee to carry out the Trustee Functions, including but not limited to:
- (a) complying with such written directions as the Trustee may from time to time give pursuant to paragraph 7.5 above; and
 - (b) providing the Trustee with all such assistance and information as it may reasonably require in carrying out the Trustee Functions.

9 REMUNERATION OF TRUSTEE

- 9.1 Acadia shall pay the Trustee a reasonable remuneration for the services it provides in carrying out the Trustee Functions, and shall pay the Trustee in a way that does not impede the independent and effective fulfilment of the Trustee Functions, which shall be set out in the Trustee's mandate referred to in paragraph 5 above.

10 INTERIM ACTION

- 10.1 Pending the completion of the divestment of the Divestment Business to the satisfaction of the CMA in accordance with the provisions of these undertakings, save as otherwise agreed in advance in writing by the CMA, Acadia shall minimise as far as possible any risk of loss of competitive potential of the Divestment Business and in particular ensure that:
- (a) the Divestment Business's separate sales or brand identity is maintained, including, in particular, that the Priory Assets that form part of the Divestment Business are carried on separately from the PiC Business, and the PiC Assets that form part of the Divestment Business are carried on separately from the Priory Business;
 - (b) the Divestment Business and each of the PiC Business and the Priory Business are maintained as a going concern and sufficient resources are made available for the development of the Divestment Business and each of the PiC Business and the Priory Business, on the basis of their respective pre-Transaction business plans;
 - (c) except in the ordinary course of business no substantive changes are made to the organisational structure of, or the management responsibilities within, the Divestment Business, the PiC Business and the Priory Business;
 - (d) the nature, description, range and quality of services supplied in the UK by each of the Divestment Business, the PiC Business and the Priory Business, are maintained and preserved;
 - (e) except in the ordinary course of business as it applies to the separate operation of the Divestment Business, the PiC Business and the Priory Business:
 - (i) all of the assets of the Divestment Business and each of the PiC Business and the Priory Business are maintained and preserved, including facilities and goodwill;

- (ii) none of the assets of the Divestment Business, the PiC Business or the Priory Business are disposed of; and
 - (iii) no interest in the assets of the Divestment Business, the PiC Business or the Priory Business is created or disposed of;
- (f) there is no integration of the information technology systems of the Priory Assets that form part of the Divestment Business with the PiC Business; or of the PiC Assets that form part of the Divestment Business with the Priory Business, and the software and hardware platforms of the Divestment Business shall remain essentially unchanged, except for routine changes and maintenance;
- (g) the customer and supplier lists of the Divestment Business, the PiC Business and the Priory Business shall be operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Divestment Business will be carried out separately from those in relation to the PiC Business or the Priory Business, and for the avoidance of neither the PiC Business nor the Priory Business will enter into any joint agreements with the Divestment Business (and vice versa);
- (h) pending disposal of the Divestment Business, all existing contracts of the Divestment Business, the PiC Business and the Priory Business continue to be serviced by the business to which they were awarded;
- (i) no changes are made to Key Staff of the Divestment Business, the PiC Business or the Priory Business;
- (j) all reasonable steps are taken to encourage all Key Staff to remain with the Divestment Business, the PiC Business and the Priory Business; and
- (k) no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to any of the Divestment Business, the PiC Business or the Priory Business shall pass, directly or indirectly, from the Divestment Business (or any of its employees, directors, agents or affiliates) to the PiC Business or the Priory Business (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (for example, where required for compliance with external regulatory and/or accounting obligations) or any steps necessary in order for Acadia to comply with these undertakings, including the transfer of information necessary for the divestment process, provided that, upon divestment of the Divestment

Business, any records or copies (electronic or otherwise) of Confidential Information held by Acadia in relation to the Divestment Business (or vice versa) shall be returned to the relevant business and any copies destroyed (except as may be necessary for the purposes of compliance with the obligations above).

10.2 Paragraph 10.1 shall not prevent Acadia and the Divestment Business from planning and preparing for the post day 1 operations of their future respective businesses. Further, the requirements in paragraph 10.1 are subject to any derogations under the IEO that were in place immediately prior to the acceptance of the present undertakings and any such consents or derogations shall apply as derogations to or consents under the present undertakings.

10.3 At all times, Acadia will actively keep the CMA informed of any material developments relating to the Divestment Business, which includes, but is not limited to:

- (a) details of Key Staff who leave the PiC Business, the Priory Business, or the Divestment Business;
- (b) any interruption of the PiC Business, the Priory Business, or the Divestment Business (including without limitation its procurement, production, logistics, sales and employee relations arrangements) that has prevented it from operating in the ordinary course of business for more than 24 hours;
- (c) all substantial customer volumes lost by the Divestment Business; and
- (d) substantial changes in the PiC Business, the Priory Business, or the Divestment Business's contractual arrangements or relationships with key suppliers.

11 CONTINUED SEPARATION

11.1 Except with the prior written consent of the CMA, for a period of 10 years following the divestment of the Divestment Business pursuant to these undertakings, Acadia, or any member of the Group of Interconnected bodies Corporate to which Acadia belongs:

- (a) shall not, directly or indirectly, hold, acquire, re-acquire or use:
 - (i) an Interest in the Divestment Business; or

- (ii) any Interest in any company carrying on or having Control of the Divestment Business (other than any investments made in the ordinary course of the operation of any of the employee benefit and pension schemes of Acadia or of any members of the Group of Interconnected Bodies Corporate to which Acadia belongs of not more than three per cent in aggregate of the issued equity share capital in any such company, whose shares are listed or dealt with on any recognised investment exchange, which carries no more than three per cent of the voting rights exercisable at meetings of such company); or
 - (iii) other than in the normal course of business, any of the assets of the Divestment Business;
- (b) shall procure that no employee or director of Acadia or any member of the Group of Interconnected Bodies Corporate to which Acadia belongs for as long as they are an employee or director of Acadia or any member of the Group of Interconnected Bodies Corporate to which Acadia belongs holds or is nominated to any directorship or managerial position in the Divestment Business or directorship or managerial position in any company or other undertaking carrying on or having control of the Divestment Business without the CMA's prior written consent;
 - (c) shall not participate in the formulation of, or (other than in the ordinary course of business) influence or attempt to influence, the policy of the Divestment Business or any company or other undertaking carrying on or having control of that Divestment Business; and
 - (d) shall not enter into or carry out any agreement or arrangement with any person, if the carrying out of the agreement or arrangement is intended to result or will result in any Associated Person or Affiliate of Acadia or of any member of the Group of Interconnected Bodies Corporate to which Acadia belongs directly or indirectly acquiring the Divestment Business or doing any of the things listed in sub-paragraphs 10.1(a), 10.1(b) and 10.1(c) above.

12 COMPLIANCE

12.1 Acadia shall comply promptly with such written directions as the CMA may from time to time give:

- (a) to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with these undertakings; or

(b) to do or refrain from doing anything so specified or described which it might be required by these undertakings to do or to refrain from doing.

12.2 Acadia shall co-operate fully with the CMA when the CMA is:

(a) monitoring compliance with the provisions of these undertakings; and

(b) investigating potential breaches of the provisions of these undertakings.

12.3 Acadia shall procure that any member of the same Group of Interconnected Bodies Corporate as Acadia complies with these undertakings as if it had given them and actions and omissions of the members of the same Group of Interconnected Bodies Corporate as Acadia shall be attributed to Acadia for the purposes of these undertakings.

12.4 Where any Affiliate of Acadia is not a member of the same Group of Interconnected Bodies Corporate as Acadia, Acadia shall use its best endeavours to procure that any such Affiliate shall comply with these undertakings as if it had given them

12.5 For the avoidance of doubt, a failure to comply with a written direction will be construed as a breach of these undertakings.

13 PROVISION OF INFORMATION

13.1 Acadia shall furnish promptly to the CMA such information as the CMA considers necessary in relation to or in connection with the implementation and/or enforcement of and/or the compliance with these undertakings, including for the avoidance of doubt, any Confidential Information.

14 EXTENSION OF TIME LIMITS

14.1 The CMA may, in response to a written request from Acadia, or otherwise at its own discretion, grant an extension to any time period referred to in these undertakings.

15 SERVICE

15.1 Acadia hereby authorises Freshfields Bruckhaus Deringer LLP (**Freshfields**), whose address for service is 65 Fleet Street, London, EC4Y 1HS, to accept service on its behalf of all documents connected with these undertakings (including any document of any kind which falls to be served on or sent to Acadia, or any of its Subsidiaries in connection with any proceedings in

Courts in the UK, orders, requests, notifications or other communications connected with these undertakings).

- 15.2 Unless Acadia informs the CMA in writing that Freshfields has ceased to have authority to accept and acknowledge service on its or any of its Subsidiaries' behalf, any document, order, request, notification or other communication shall be validly served on Acadia if it is served on Freshfields; and service shall be deemed to have been acknowledged by Acadia if it is acknowledged by Freshfields or such other nominee.
- 15.3 Paragraph 15.2 above has effect irrespective of whether, as between Acadia and Freshfields or other nominees, Freshfields or other nominees has or continues to have any authority to accept and acknowledge service on Acadia's or any of its respective Subsidiaries' behalf.
- 15.4 No failure or mistake by Freshfields or other nominees (including a failure to notify Acadia of the service of any document, order, request, notification or other communication) shall invalidate any action taken in respect of these undertakings including any proceedings or judgment.
- 15.5 Any communication from Acadia to the CMA under these undertakings shall be addressed to Manager, Market and Mergers Remedies Monitoring, Competition and Markets Authority, Victoria House, Southampton Row,

London WC1B 4AD or such other person or address as the CMA may direct in writing.

16 EFFECT OF INVALIDITY

- 16.1 Should any provision of these undertakings be contrary to law or invalid for any reason, Acadia undertake to continue to observe the remaining provisions.

17 GOVERNING LAW

- 17.1 Acadia recognises and acknowledges that these undertakings shall be governed and construed in all respects in accordance with English law.
- 17.2 In the event that a dispute arises concerning these undertakings, Acadia undertakes to submit to the courts of England and Wales.

18 TERMINATION

- 18.1 Acadia recognises and acknowledges that these undertakings shall be in force until such time as they are varied, released or superseded under the Act.
- 18.2 Acadia recognises and acknowledges that the variation, release or supersession of these undertakings shall not affect the validity and enforceability of any rights or obligations that arose prior to such variation, release or supersession.

19 INTERPRETATION

- 19.1 The Interpretation Act 1978 shall apply to these undertakings as it does to Acts of Parliament.
- 19.2 References in these undertakings to any English law term for any legal status, interest, concept or thing shall in respect of any jurisdiction other than England and Wales be deemed to include what most nearly approximates in that jurisdiction to the English law term.
- 19.3 In these undertakings the word "including" shall mean including without limitation or prejudice to the generality of any description, definition, term or

phrase preceding that word and the word 'include' and its derivatives shall be construed accordingly.

19.4 For the purposes of these undertakings:

“Acadia” means Acadia Healthcare Company, Inc., of 6100 Tower Circle Drive, Suite 1000, Franklin, TN 37067, USA;

“Acadia Business” means the business of Acadia and its Group of Interconnected Bodies Corporate carried on as at 18 February 2016;

“the Act” means the Enterprise Act 2002;

“Affiliate” a person is an affiliate of another person if they or their respective enterprises would be regarded as being under common control for the purposes of section 26 of the Act;

“Associated Person” means a person or persons associated with Acadia within the meaning of section 127(4) of the Act and includes any Subsidiary of such a person or persons;

“business” has the meaning given by section 129(1) and (3) of the Act;

“CMA” means the Competition and Markets Authority or any successor body;

“Confidential Information” means any business secrets, know-how, commercially sensitive information, intellectual property or any other information of a confidential or proprietary nature;

“Control” shall be construed in accordance with section 26 of the Act, and in the case of a body corporate, a person shall be deemed to Control it if he holds, or has an interest in, shares of that body corporate amounting to 10 per cent or more of its issued share capital or carrying an entitlement to vote at meetings of that body corporate of 10 per cent or more of the total number of votes which may be cast at such meetings;

“CQC” means the Care Quality Commission in England;

“Decision” means the CMA's decision under section 22 of the Act dated 14 July 2016 in connection with the Transaction;

“Divestment Business” means the mental health facilities set out at **Annex 1** to these Undertakings, and, in each case, comprising the whole or substantially the whole of the rights, assets, interests and obligations of or associated with the facility to be divested, including without prejudice to the foregoing, save as required or permitted by the CMA:

- a) where capable of being transferred, all or substantially all tangible and intangible assets which contribute to the current operation or are necessary to ensure the viability or competitiveness of the business;
- b) where capable of being transferred, all or substantially all licences, permits, consents and authorisations issued by any governmental or regulatory organisation for the benefit of the business, including registrations from the CQC, HIW and NHS Improvement;
- c) where capable of being transferred, all or substantially all contracts, leases, commitments and customer orders of or associated with the business including any relevant contracts with NHS England and NHS Wales; and
- d) all customer, credit and other records related to or associated with the business together with any additional rights, assets and/or obligations that Acadia may wish to sell together with the above, subject to the CMA's prior approval in writing;

“Divestment Period” means the period of time determined by the CMA and notified in writing to Acadia by the CMA;

“enterprise” has the meaning given in section 129(1) of the Act;

“Group of Interconnected Bodies Corporate” has the meaning given in section 129(2) of the Act; references to a Group of Interconnected Bodies Corporate shall be to the Group of Interconnected Bodies Corporate as constituted from time to time;

“HIW” means the Healthcare Inspectorate Wales.

“Interest” includes shares, an interest in shares and any other interest carrying an entitlement to vote at shareholders' meetings but does not include a contract to acquire shares in the future; and for this purpose "an interest in shares" includes an entitlement by a person other than the registered holder, to exercise any right conferred by the holding of these shares or an entitlement to Control the exercise of such right;

“Key Staff” means staff in positions of executive or managerial responsibility and/or whose performance affects the viability of the Divestment Business or the Acadia Business, as the case may be;

“PiC” means Partnerships In Care UK 1 Limited, of 2 Imperial Place, Maxwell Road, Borehamwood, Hertfordshire WD6 1JN, England;

“PiC Assets” means those assets defined as PiC Assets at Annex 1;

“PiC Business” means the business of PiC;

“Priory” means Priory Group No. 1 Limited, of 80 Hammersmith Road, London, W14 8UD, England;

“Priory Assets” means those assets defined as Priory Assets at Annex 1.

“Priory Business” means the business of Priory;

“Proposed Purchaser” means any proposed purchaser for the Divestment Business;

“Subsidiary” shall be construed in accordance with section 1159 of the Companies Act 2006 (as amended), unless otherwise stated;

“the Transaction” means the completed acquisition by Acadia of the entire issued share capital of Priory on 16 February 2016;

“Transitional Services Agreement” means an agreement whereby (at the request of the Proposed Purchaser) Acadia would continue to provide at the request of the Proposed Purchaser certain central functions or services for an agreed (short-term) period following completion of the disposal of the Divestment Business to the Proposed Purchaser to enable a smooth transition of the Divestment Business.

“Trustee” means the person appointed pursuant to paragraph 5.4, paragraph 5.5 or paragraph 5.7 to carry out the Trustee Functions;

“Trustee Functions” means the functions set out in paragraph 7;

“UK” means the United Kingdom of Great Britain and Northern Ireland;

“Working Day” means any day of the week other than a Saturday or a Sunday or any day that is a public holiday in England and Wales; and

unless the context requires otherwise, the singular shall include the plural and vice versa.

FOR AND ON BEHALF OF ACADIA

Signature

Name

Title

Date

DATE ACCEPTED BY THE CMA

ANNEX 1
DIVESTMENT BUSINESSES

The Divestment Business includes:

- The PiC Assets and the Priory Assets;
- To the extent required by the Divestment Purchaser, central office support; and
- To the extent required by the Divestment Purchaser, transitional support services.

PiC Assets

The Divestment Business includes the PiC Assets listed in the table below, and described in more detail in the identified annexes:

PiC Asset	Address	Annex
Aderyn	Penperlleni Nr Pontypool Monmouthshire NP4 0AH	Annex 1(a)
Arbury Court	Townfield Lane Winwick Warrington, Cheshire WA2 8TR	Annex 1(b)
Brierley Court	145 Church Lane Moston Manchester M9 4LA	Annex 1(c)
Bromley Road	84-86 Bromley Road Catford London SE6 2UR	Annex 1(d)
Rhodes Wood	Shepherds Way Hatfield Hertfordshire AL9 6NN	Annex 1(e)
Rosebank House	Lower Henley Road Caversham Reading Berkshire RG4 5LE	Annex 1(f)
Spring Wood Lodge	1 Towngate Close Guisley Leeds LS20 9PQ	Annex 1(g)
The Copse	Beechmount Close, Oldmixon, Weston-super-Mare, Somerset	Annex 1(h)

PiC Asset	Address	Annex
	BS24 9EX	
The Spinney	Everest Road Atherton Manchester M46 9NT	Annex 1(i)
Wellesley	Westpark 26 Chelston, Wellington Somerset TA21 9FF	Annex 1(j)

Priory Assets

The Divestment Business includes the Priory Assets listed in the table below, and described in more detail in the identified annexes:

Priory Asset	Address	Annex
Braeburn House	Charles Street Salford Manchester M6 7DU	Annex 1(k)
Brighton and Hove	14-18 New Church Road Brighton & Hove East Sussex BN3 4FH	Annex 1(l)
Cefn Carnau	Cefn Carnau Lane Thornhill Cardiff CF83 1LX	Annex 1(m)
Chadwick Lodge and Eaglestone View	Chadwick Drive Off Saxon Street Eaglestone Milton Keynes Buckinghamshire MK6 5LS	Annex 1(n)
Farmfield	Farmfield Drive Charlwood Surrey RH6 0BN	Annex 1(o)
Keighley	2 Burley Court Steeton Keighley BD20 6TU	Annex 1(p)
Potter's Bar	190 Barnet Road Potters Bar Hertfordshire EN6 2SE	Annex 1(q)

Priory Asset	Address	Annex
Recovery First	Bennett's Lane Widnes WA8 0GT	Annex 1(r)
St. Neots	Howitts Lane Eynesbury St Neots Cambridgeshire PE19 2JA	Annex 1(s)
Sturt House	Sturt's Lane Walton on the Hill Surrey KT20 7RQ	Annex 1(t)
Thornford Park	Crookham Hill Thatcham Berkshire RG19 8ET	Annex 1(u)
Ty Gwyn Hall	Llantilio Pertholey Abergavenny Gwent NP7 6NY	Annex 1(v)

Central office support

To the extent required by the Divestment Purchaser, the Divestment Business will include the following central office support functions. All functions listed in the table below are expected to be staffed with current PiC or Priory employees. The Divestment Business will include, to the extent required by the Divestment Purchaser, employees in each function up to the numbers indicated in the right hand column.

Function	# of Employees
Administration	[X]
Divisional/Regional Directors	[X]
Legal	[X]
Human Resources	[X]
Training	[X]
Management Accounts	[X]
Sales Ledger	[X]
Purchase Ledger	[X]
Clinical	[X]
Regulatory Compliance	[X]
Marketing	[X]
Information Governance and Reporting	[X]
Information Technology	[X]
Facilities	[X]
Total	[50-60]

Annex 1(a)
PiC Aderyn

Hospital	PiC Aderyn (Penperlleni, Nr Pontypool, Monmouthshire, NP4 0AH)
Service lines and beds	Total – 19 beds Rehab (male) – 19 beds
Ownership	[REDACTED]
Staff	Hospital Director: [REDACTED] Responsible Clinician: [REDACTED] [REDACTED] Total – [30-40] staff Clinical – 20-30 Non-clinical – 10-11 In addition to the above, bank staff are used on occasion to cover for shortfalls in staffing.
Financial information	2015 Turnover: £[REDACTED] Net profit: £[REDACTED] [REDACTED].
Key contracts	<u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(b)
PiC Arbury Court

Hospital	PiC Arbury Court (Townfield Lane, Winwick, Warrington, Cheshire WA2 8TR)
Service lines and beds	Total – 82 beds Psychiatric Intensive Care Unit (<i>PICU</i>) (female) – 11 beds (scheduled to open) Medium Secure (female) – 27 beds Low Secure (female) – 44 beds
Ownership	[REDACTED]
Staff	Hospital Director: [REDACTED] Lead Nurse: [REDACTED] Clinical Director: [REDACTED] Total – [250-260] staff Clinical – [220-230] staff Non-clinical – [30-40] staff In addition to the above, overtime, bank staff and agency are used on occasion to cover for shortfalls in staffing.
Financial information	2015 Turnover: £[REDACTED] Net profit: £[REDACTED] [REDACTED].
Key contracts	<u>NHSE contract</u> [REDACTED] [REDACTED] <u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(c)
PiC Brierley Court

Hospital	PiC's Brierley Court (Moston, Greater Manchester M9 4LA)
Service lines and beds	Total – 21 beds Rehab – 21 beds
Ownership	[REDACTED]
Staff	Hospital Director: [REDACTED] Total – [30-40] staff Clinical – [20-30] staff Non-clinical – [0-10] staff In addition to the above, bank staff are used on occasion to cover for shortfalls in staffing.
Financial information	2015 Turnover: £[REDACTED] Net profit: £[REDACTED] [REDACTED]. [REDACTED]
Key contracts	<u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(d)
PiC Bromley Road

Hospital	PiC Bromley Road (London, SE6 2UR)
Service lines and beds	Total – 24 beds Rehab – 24 beds
Ownership	[REDACTED]
Staff	Hospital Director: [REDACTED] Responsible Clinician: [REDACTED] Total – [40-50]staff Clinical – [30-40] staff Non-clinical – [10-20] staff In addition to the above, bank staff are used on occasion to cover for shortfalls in staffing.
Financial information	2015 Turnover: £[REDACTED] Net profit: £[REDACTED] [REDACTED].
Key contracts	<u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(e)
PiC Rhodes Wood (Rhodes Farm)

Hospital	PiC's Rhodes Wood (Shepherds Way, Hatfield, Hertfordshire, AL9 6NN)
Service lines and beds	Total – 39 beds CAMHS ED – 39 beds (24 commissioned)
Ownership	[REDACTED]
Staff	Hospital director: [REDACTED] Clinical Services Manager: [REDACTED] Responsible Clinician: [REDACTED]. Total – [60-70] staff Clinical – [40-50] staff Non-clinical – [10-20] staff In addition to the above, bank staff are used on occasion to cover for shortfalls in staffing.
Financial information	2015 Turnover: £[REDACTED] Net profit: £[REDACTED] [REDACTED]. [REDACTED].
Key contracts	<u>NHSE contract</u> [REDACTED] [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(f)
PiC Rosebank House

Hospital	Rosebank House (Lower Henley Road, Caversham, Reading, Berkshire, RG4 5LE)
Service lines and beds	Total – 13 beds Rehab – 13 beds
Ownership	[X]
Staff	Hospital director: [X] Total staff – [10-20] staff Clinical – [10-20] staff Non-clinical- - [0-10] staff The rest of the multidisciplinary team is provided by [X], which includes occupational therapists, psychology, medical and social work. In addition to the above, bank staff are used on occasion to cover for shortfalls in staffing.
Financial information	2015 Turnover: £[X] Net profit: £[X] [X].
Key contracts	<u>CCG/Trust contracts</u> [X]. [X] [X]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(g)
PiC Spring Wood Lodge

Hospital	Spring Wood Lodge (Guiseley, Nr Leeds, Yorkshire LS20 9PQ)
Service lines and beds	Total – 22 beds Rehab –22 beds
Ownership	[REDACTED]
Staff	Hospital director: [REDACTED] Responsible [REDACTED] Total – [20-30] staff Clinical – [20-30] staff Non-clinical – [0-10] staff In addition to the above, bank staff are used on occasion to cover for shortfalls in staffing.
Financial information	2015 Turnover: £[REDACTED] Net profit: -£[REDACTED] [REDACTED]. [REDACTED].
Key contracts	<u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(h)
PiC The Copse

Hospital	PiC's The Copse (Weston-Super-Mare, Somerset, BS24 9EX)
Service lines and beds	Total – 24 beds Rehab – 24 beds
Ownership	[REDACTED]
Staff	Hospital Director: [REDACTED] Total – [30-40] staff Clinical – [20-30] staff Non-clinical – [0-10] staff In addition to the above, bank staff are used on occasion to cover for shortfalls in staffing.
Financial information	2015 Turnover: £[REDACTED] Net profit: £[REDACTED]
Key contracts	<u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(i)
PiC The Spinney

Hospital	PiC The Spinney (Everest Road, Atherton, Manchester, M46 9NT)
Service lines and beds	Total – 93 beds PICU (male) – 10 beds Medium Secure (male) – 55 beds Low Secure (male) – 25 beds Rehab (male) – 3 beds
Ownership	[REDACTED]
Staff	Hospital Director: [REDACTED] Clinical Nurse Manager: [REDACTED] Lead Consultant: [REDACTED] Total – [270-280] staff Clinical – [210-220] staff Non-clinical – [50-60] staff In addition to the above, overtime, bank staff and agency are used on occasion to cover for shortfalls in staffing.
Financial information	2015 Turnover: £[REDACTED] Net profit: £[REDACTED]
Key contracts	<u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(j)
PiC Wellesley

Hospital	PiC Wellesley (Westpark 26, Chelston, Wellington, Somerset, TA21 9FF)
Service lines and beds	Total – 75 beds Wellesley is an empty property which is yet to be registered. It is expected that the facility will cater to low secure and medium secure services in the future.
Ownership	[✂]
Staff	Hospital Director: [✂] Clinical Director: [✂] The Wellesley is scheduled to open in early 2017. A recruitment campaign for staff is currently underway. Currently, less than [✂] staff are employed.
Financial information	Not applicable.
Key contracts	Not applicable.

Annex 1(k)
Priory Braeburn House

Hospital	Braeburn House (Charles Street, Salford, Manchester, M6 7DU)
Service lines and beds	Total – 28 beds Rehab - 28 beds
Ownership	[REDACTED]
Staff	Hospital Director: [REDACTED] Clinical Services Manager: [REDACTED] Total – [70-80] staff ([50-60] employed; [20-30] bank staff) Clinical – [60-70] staff Non-clinical – [10-20] staff [REDACTED].
Financial information	<u>YTD - June 2016</u> Turnover: £[REDACTED] EBITDA: £[REDACTED] [REDACTED].
Key contracts	[REDACTED] [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(i)
Priory Brighton and Hove

Hospital	Priory Brighton and Hove (14-18 New Church Road, Brighton & Hove, East Sussex BN3 4FH)
Service lines and beds	Total – 17 beds Acute – 17 beds
Ownership	[REDACTED]
Staff	Hospital director: [REDACTED] CSM: [REDACTED] Medical Director: [REDACTED] SSM: [REDACTED] Total – [80-90] staff ([50-60] employed; [30-40] bank staff) Clinical – [50-60] staff Non-clinical – [30-40] staff
Financial information	2015 Turnover: £[REDACTED] EBITDAR: £[REDACTED] [REDACTED].
Key contracts	<u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(m)
Priory Cefn Carnau

Hospital	Priory Cefn Carnau (Cefn Carnau Lane, Caerphilly, CF83 1LX)
Service lines and beds	Total – 22 beds Low secure LD – 22 beds
Ownership	[REDACTED]
Staff	Hospital director: [REDACTED] CSM: [REDACTED] Medical Director: [REDACTED] SSM: [REDACTED] Total – [100-110] staff ([70-80] employed; [30-40] bank staff) Clinical – [80-90] staff Non-clinical – [20-30] staff
Financial information	2015 Turnover: £[REDACTED] EBITDAR: £[REDACTED] [REDACTED].
Key contracts	<u>NHSW contract</u> [REDACTED] [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(n)
Priory Chadwick Lodge and Eaglestone View

Hospital	Priory Chadwick Lodge (Chadwick Drive, Milton Keynes, MK6 5LS)
Service lines and beds	Total – 94 beds Low secure – 31 beds Medium secure – 52 beds Rehab – 11 beds
Ownership	[REDACTED]
Staff	Hospital director: [REDACTED] CSM: [REDACTED] Medical Director: [REDACTED] SSM: [REDACTED] Total – [330-340] staff ([250-260] employed; [70-80] bank staff) Clinical – [280-290] staff Non-clinical – [50-60] staff
Financial information	2015 Turnover: £[REDACTED] EBITDAR: £[REDACTED] [REDACTED].
Key contracts	<u>NHSE contract</u> [REDACTED] [REDACTED]. <u>NHSW contract</u> [REDACTED]. <u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(o)
Priory Farmfield

Hospital	Priory Farmfield (Farmfield Dr, Charlwood, Surrey, RH6 0BN)
Service lines and beds	Total – 52 beds Low secure – 21 beds Medium secure – 31 beds
Ownership	[REDACTED]
Staff	Hospital director: [REDACTED] CSM: [REDACTED] Medical Director: [REDACTED] SSM: [REDACTED] Total – [190-200] staff ([130-140] employed; [60-70] bank staff) Clinical – [150-160] staff Non-clinical – [40-50] staff
Financial information	2015 Turnover: £[REDACTED] EBITDAR: £[REDACTED] [REDACTED].
Key contracts	<u>NHSE contract</u> [REDACTED] [REDACTED]. <u>NHSW contract</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(p)
Priory Hospital Keighley

Hospital	Priory Hospital Keighley (2 Burley Court, Steeton, Keighley, West Yorkshire BD20 6TU)
Service lines and beds	Total – 43 beds Rehab – 43 beds
Ownership	[REDACTED]
Staff	Hospital Director: [REDACTED] Clinical Services Manager: [REDACTED] Medical Director: [REDACTED] SSM: [REDACTED] Consultants: [REDACTED] Total – [110-120] staff ([100-110] employed; [10-20] bank staff) Clinical – [90-100] staff Non-clinical - [20-30] staff
Financial information	2015 Turnover: £[REDACTED] EBITDA: £[REDACTED] [REDACTED].
Key contracts	<u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(q)
Priory Potters Bar

Hospital	Priory Potters Bar (190 Barnet Road, Hertfordshire EN6 2SE)
Service lines and beds	Total – 48 beds Acute – 48 beds
Ownership	[REDACTED]
Staff	Hospital director: [REDACTED] CSM: [REDACTED] Medical Director: [REDACTED] SSM: [REDACTED] Total – [150-160] staff ([120-130] employed; [20-30] bank staff) Clinical – [110-120] staff Non-clinical – [30-40] staff
Financial information	2015 Turnover: £[REDACTED] EBITDAR: £[REDACTED] [REDACTED].
Key contracts	<u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(r)
Priory Recovery First

Hospital	Priory Recovery First (Bennett's Lane, Widnes WA8 0GT)
Service lines and beds	Total – 48 beds Rehab male – 12 beds Rehab female – 36 beds
Ownership	[REDACTED]
Staff	Hospital Director: [REDACTED] Clinical Services Manager: [REDACTED] SSM: [REDACTED] Total – [180-190] staff ([140-150] employed; [30-40] bank staff) Clinical – [150-160] staff Non-clinical – [10-20] staff
Financial information	2015 Turnover: £[REDACTED] EBITDAR: £[REDACTED] [REDACTED].
Key contracts	[REDACTED]. <u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(s)
Priory St Neots

Hospital	Priory St Neots (Howitts Lane, Eynesbury, St Neots, Cambridgeshire, PE19 2JA)
Service lines and beds	Total – 39 beds Rehab – 39
Ownership	[REDACTED]
Staff	Hospital director: [REDACTED] CSM: [REDACTED] Medical Director: [REDACTED] SSM: [REDACTED] Total – [110-120] staff ([80-90] employed; [20-30] bank staff) Clinical - [80-90] staff Non-clinical – [20-30] staff
Financial information	2015 Turnover: £[REDACTED] EBITDAR: £[REDACTED] [REDACTED].
Key contracts	<u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(t)
Priory Sturt House

Hospital	Priory Sturt House (Sturt's Lane, Walton on the Hill, Surrey, KT20 7RQ)
Service lines and beds	Total – 21 beds Rehab – 21 beds
Ownership	[REDACTED]
Staff	Hospital director: [REDACTED] CSM: [REDACTED] Medical Director: [REDACTED] SSM: [REDACTED] Total – [50-60] staff ([30-40] employed; [10-20] bank staff) Clinical – [20-30] staff Non-clinical – [10-20] staff
Financial information	2015 Turnover: £[REDACTED] EBITDAR: £[REDACTED] [REDACTED].
Key contracts	<u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(u)
Priory Thornford Park

Hospital	Priory Thornford Park (Crookham Hill, Thatcham, Berkshire, RG19 8ET)
Service lines and beds	Total – 130 beds Low secure – 84 beds Medium secure – 36 beds PICU – 10 beds
Ownership	[REDACTED]
Staff	Hospital director: [REDACTED] CSM: [REDACTED] Medical Director: [REDACTED] SSM: [REDACTED] Total – [400-410] staff ([310-320] employed; [70-80] bank staff) Clinical – [310-320] Non-clinical – [70-80] staff
Financial information	2015 Turnover: £[REDACTED] EBITDAR: £[REDACTED] [REDACTED].
Key contracts	<u>NHSE contract</u> [REDACTED]. <u>NHSW contract</u> [REDACTED]. <u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.

Annex 1(v)
Priory Ty Gwyn Hall

Hospital	Priory Ty Gwyn Hall (Llantilio Pertholey, Abergavenny NP7 6NY)
Service lines and beds	Total – 34 beds Rehab – 34 beds
Ownership	[REDACTED]
Staff	Hospital director: [REDACTED] CSM: [REDACTED] Medical Director: [REDACTED] SSM: [REDACTED] Total – [90-100] staff ([80-90] employed; [10-20] bank staff) Clinical - [60-70] staff Non-clinical – [20-30] staff
Financial information	2015 Turnover: £[REDACTED] EBITDAR: £[REDACTED] [REDACTED].
Key contracts	<u>NHSW contract</u> [REDACTED] [REDACTED]. <u>CCG/Trust contracts</u> [REDACTED]. <u>Other contracts</u> Pharmacy, food and utilities services are supplied under group-wide contracts and it is anticipated that the purchaser will ultimately enter into an agreement with such services suppliers independently. The purchaser will also be given the option to avail of transitional support arrangements for supplier contracts. Any local supply contracts will remain in place.