

Particulars of a mortgage or charge

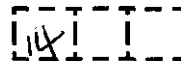
A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number



103287

Name of company

* A & P Falmouth Limited (the "Company")

Date of creation of the charge

2 March 2004

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

Amendment and restatement to debenture originally dated 17 August 2001

Amount secured by the mortgage or charge

See rider A

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

Royal Bank Investments Limited (Registered No. SC139617) and having its place of business at Waterhouse Square, 138-142 Holborn, London (the "Bank")

Postcode EC1N 2TN

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

Dickson Minto W.S
Royal London House
22/25 Finsbury Square
London EC2A 1DX
Ref:A097/001/KBE/MJM

A&P Falmouth Limited.lpd

Time critical reference

For official Use
Mortgage Section

Post room



A07
COMPANIES HOUSE

AJMC8TA2

0499
10/03/04

Short particulars of all the property mortgaged or charged

See rider B

Please do not
write in
this margin

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

Particulars as to commission allowance or discount (note 3)

N/A

Signed



Date

8/3/04

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

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

† delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-
Companies House, Crown Way, Cardiff CF14 3UZ

A&P FALMOUTH LIMITED
(REGISTERED NUMBER 103287)
(THE "COMPANY")
FORM 395 - RIDER A

Amount secured by the Mortgage of Charge

- (i) All monies due or to become due from any Charging Company to the Bank on any account whatsoever and all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Company to the Bank (including, without limitation all amounts (including principal, interest and any Default Interest) payable under the Loan Note Instrument to which the Company is a party);
- (ii) All reasonable costs, charges and expenses properly incurred by the Bank in connection with the preparation and negotiation of the Loan Note Instrument; and
- (iii) All costs, charges and expenses incurred by the Bank in connection with the protection, preservation or enforcement of its rights (including without limitation its rights under the Loan Note Instrument)

provided that no obligation or liability shall be included in the definition of "Secured Obligations" to the extent that, if it were so included, the Debenture (or any part of it) would constitute unlawful financial assistance within the meaning of sections 151 and 152 of the Companies Act 1985 ("Secured Obligations").

NOTE.

In this Rider A:-

"Bellway/Wimpey Development Agreement means the agreement dated 18 May 2001 and made between A&P Tyne Limited and Smiths Shiprepairers (North Shields) Limited (1) and Bellway Homes Limited and George Wimpey UK Limited (2);

"Charged Assets" means all property and assets from time to time charged by or pursuant to the Debenture;

"Charged Shares" means all shares from time to time charged by or pursuant to the Debenture;

"Charging Companies" are those companies listed in schedule 1 of the Debenture;

"Collections Accounts" means are specially designated account(s) with the Bank or such other account(s) with such other bank as the Bank may from time to time direct (such account(s) together with all additions to or renewals or replacements thereof (in whatever currency));

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"Debenture" means the debenture dated 17 August 2001 between the Charging Companies (1) and the Bank (2);

"Debtor" means any person who is liable (whether as principal debtor or as surety and whether actually or contingently) to discharge or pay a Receivable;

"Default Interest" means default interest charged at the rate of 2 per cent per annum over the Base Rate;

"Encumbrance" means any mortgage, pledge, lien, charge, assignment by way of security, hypothecation, security interest, or any other security agreement or arrangement (excluding retention or title clauses) whether relating to existing or future assets;

"Event of Default" means a default under clause 6 of the Loan Note Instrument;

"Group Company" means the Charging Companies and any other group company from time to time acceding to the Debenture;

"Insurances" means the policies of insurance in which the Company has an interest from time to time;

"Intellectual Property" means all intellectual property from time to time charged by the Debenture;

"Investments" means any negotiable instrument, certificate of deposit, debenture, share or other investment (as defined in part I or schedule I to the Financial Services Act 1986) as at 17th August 2001;

"Lender" means Royal Bank Investments Limited;

"Permitted Disposals" means any of:

- (i) Disposals by any Group Company of current and fixed assets which are being disposed of or leased in the ordinary course of business of the Group Company; or
- (ii) Disposals by one Charging Company to another Charging Company; or
- (iii) provided no Event of Default or Potential Event of Default has occurred which has not been waived by the Lender or remedied, Disposals by any Group Company of any single item which has a book value which does not exceed £50,000 and the aggregate value in respect of all such disposals by all Group Companies in any Accounting Period does not exceed £100,000; or
- (iv) Disposals of property or assets in exchange for other property or assets of a comparable type and value; or
- (v) Disposals to which the Lender has given its prior written consent;

"Permitted Encumbrance" means any of:

- (i) a lien or right of set-off arising between Charging Companies or in the ordinary course of business solely by operation of law (or by contractual provisions having a substantially similar effect) and securing amounts not more than twenty eight (28) days overdue or where the payment of the amount is being contested in good faith;
- (ii) an Encumbrance which the Lender has at any time in writing agreed shall be a Permitted Encumbrance;
- (iii) an Encumbrance over any asset arising in the ordinary course of business as a result of a title-retention or title transfer provision in the contract relating to the acquisition of that asset;
- (iv) an Encumbrance over any asset of Charging Company that was created prior to 17th August 2001, that shall not be discharged or released on 17th August 2001 but disclosure of which has been made to the Lender;

"Potential Event of Default" means an event which in the opinion of the Lender might or would lead to a Default (as more particularly defined in the Loan Note Instrument) under the terms of the Loan Note Instrument;

"Receivables" means;

- (i) all present and future book and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts recoverable or receivable by the Company from other persons or due or owing to the Company (whether actual or contingent and whether arising under contract or in any other manner whatsoever);
- (ii) the benefit of all rights and remedies relating to any of the foregoing including, without limitation, claims for damages and other remedies for non-payment of the same, all entitlements to interest, negotiable instruments, guarantees, indemnities, Encumbrances, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights; and
- (iii) all proceeds of any of the foregoing.

A&P FALMOUTH LIMITED
(REGISTERED NUMBER 103287)

(THE "COMPANY")

FORM 395 - RIDER B

1. FIXED AND FLOATING CHARGES

1.1. Fixed charges

As a continuing security for the payment of the Secured Obligations, the Company, with full title guarantee, charged, and agreed to charge, in favour of the Bank the following assets which are at any time owned by the Company, or in which the Company is from time to time interested:

- 1.1.1. by way of first legal mortgage all the freehold and leasehold property (if any) vested in or charged to the Company including, without limitation, the property specified in Schedule 2, together with all buildings and fixtures (including trade fixtures) at any time thereon but excluding the Excluded Real Property;
- 1.1.2. by way of first fixed charge all other interests (not being charged by the above clause) in any freehold or leasehold property vested in or charged to the Company, the buildings and fixtures (including trade fixtures) at any time thereon (but excluding the Excluded Real Property), all proceeds of sale derived therefrom and the benefit of all covenants given in respect thereof and all licences to enter upon or use land and the benefit of all other agreements relating to land;
- 1.1.3. by way of first fixed charge all plant, machinery, computers, vehicles, office and other equipment and the benefit of all contracts, licences and warranties relating to the same;
- 1.1.4. by way of first fixed charge all Investments, together with all Related Rights from time to time accruing thereto;
- 1.1.5. by way of first fixed charge all rights and interests of the Company in, and claims under, the Insurances and all proceeds thereof held by, or written in favour of, the Company or in which the Company is otherwise interested;
- 1.1.6. by way of first fixed charge all its right, title, interest and benefit in and to the Collections Accounts, all monies standing to the credit of the Collections Accounts, all interest accrued on monies standing to the credit of the Collections Accounts and all rights of such Charging Company to repayment of any of the foregoing;

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- 1.1.7. by way of first fixed charge (subject to the Collections Accounts clause) all monies standing to the credit of the Company from time to time on any and all accounts with any bank, financial institution, or other person;
- 1.1.8. by way of first fixed charge all Intellectual Property;
- 1.1.9. by way of first fixed charge the benefit of all licences, consents, agreements and authorisations held or utilised by the Company in connection with its business or the use of any of its assets;
- 1.1.10. to the extent not effectively assigned under Clause 2 below (Assignment), by way of first fixed charge all Receivables;
- 1.1.11. by way of first fixed charge all the goodwill and uncalled capital of the Company; and
- 1.1.12. by way of first legal mortgage fixed charge all the Charged Shares together with all the Related Rights from time to time accruing thereto.

1.2. Assignment

As a continuing security for the payment of the Secured Obligations, the Company, with full title guarantee, assigned and agreed to assign absolutely in favour of the Bank all the rights, title, interest and benefit of the Company in and to the Receivables.

1.3. Floating charge

As further continuing security for the payment of the Secured Obligations, the Company charged with full title guarantee in favour of the Bank by way of first floating charge all its assets and undertaking whatsoever and wheresoever situated both present and future not effectively charged by way of first fixed mortgage or charge pursuant to the provisions of Clause 1 above, including, without prejudice to the generality of the foregoing, heritable property and all other property and assets in Scotland (but excluding the Excluded Real Property).

1.4. Negative Pledge

Save as permitted by the terms of the Loan Note Instrument, the Company has covenanted with the Bank that, during the continuance of the security created by the Debenture, it shall not without the prior written consent of the Bank:

- 1. create, or permit to subsist any Encumbrance (other than a Permitted Encumbrance) upon any of the Charged Assets; and
- 2. sell, transfer, lease, lend or otherwise dispose of, whether by a single transaction or a number of transactions and whether related or not,

the whole or any part of the Charged Assets save for a Permitted Disposal.

In this Rider B:

"Excluded Real Property" means the real property registered at the land Registry under the property description "Land at North Shields", Title Number TY918G2 and the Bellway/Wimpey Development Agreement and charged in favour of the Bank.

"Loan Note Instrument" means the secured loan notes instrument in the sum of £9,399,150 dated 17 August 2001 and made between A&P Acquisitions Limited (now known as A&P Group Limited); and

"Related Rights" means, in relation to any Investments or Charged Shares, all dividends, distributions and other income paid or payable on the relevant Investment or Charged Shares (as the case may be), together with (a) all shares or other property derived from the relevant Investment or Charged Shares (as the case may be) and (b) all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to the relevant Investment or Charged Shares (whether by way of conversion, redemption, bonus, preference, option or otherwise).

SCHEDULE 2

Details of Registered Land

The freehold property being land and buildings on the east side of Campbeltown Road, land adjacent to Chester Road and Unicorn Way and land at New Chester Road, Birkenhead as is registered at HM Land Registry with title numbers MS 413260, MS 413177 and MS 366634.

The freehold property and leasehold land at Hebburn Shipyard, Tyne and Wear as registered with HM Land Registry with title numbers TY 232136 and TY 323132.

The freehold property at former Hawthorn Leslie Shipyard, Hebburn, Tyne and Wear as registered with HM Land Registry with title numbers TY 330301 and TY 362798.

An option dated 16 August 2001 and made between Cammell Laird (Teesside) Limited (1) and A&P Dry Docks Limited (2) in respect of the leasehold property known as 11.1 acres of land at Tees Offshore Base, South Bank registered at HM Land Registry under title number CE 121795 and comprised in a lease dated 13 January 1992 and made between Tees and Hartlepool Port Authority Limited (1) and Tees Dockyard Limited (2).

A freehold strip of land four metres in width shown on the transfer dated 17 August 2001 edged in red and forming the western boundary of land known as Middle Dock, South Shields and comprised within title number TY 97731.

Details of Unregistered Land

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 00103287

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT AN AMENDMENT AND RESTATEMENT TO DEBENTURE ORIGINALLY DATED 17 AUGUST 2001 DATED THE 2nd MARCH 2004 AND CREATED BY A & P FALMOUTH LIMITED FOR SECURING ALL MONEYS DUE OR TO BECOME DUE FROM ANY CHARGING COMPANY TO ROYAL BANK INVESTMENTS LIMITED ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 10th MARCH 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 15th MARCH 2004.

P. C. W.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —