

M

Please do not
write in
this margin

CHA 116

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

*insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

Pursuant to section 395 of the Companies Act 1985

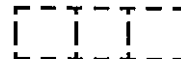


395

To the Registrar of Companies

For official use

Company number



126379

Name of company

* MD (1995) Limited (the "Charging Company")

Date of creation of the charge

12 December 1996

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

Limited Recourse Guarantee and Debenture (the "Debenture") dated 12 December 1996 made between the Companies listed in Part II of the attached Schedule (the "Companies") and Barclays Bank PLC (as security trustee for and on behalf of the Banks) and its assignees and transferees.

Amount secured by the mortgage or charge

See Part IV of the attached Schedule.

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

Barclays Bank PLC, Chatsworth House, 66/70 St Mary Axe, London, EC3A 8BD

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

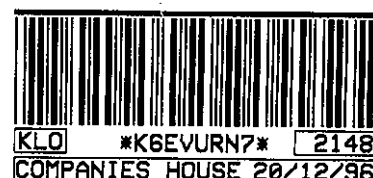
Lovell White Durrant
65 Holborn Viaduct
London EC1A 2DY

A1/NPF/1BB.35693 (81893)

Time critical reference

For official use
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

As specified in Parts V and VI of the attached Schedule.

NB: The attached Schedule includes covenants by and restrictions on the Companies which protect and further define the charges and which must be read as part of the charges created.

Please do not
write in
this margin

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

Particulars as to commission allowance or discount (note 3)

Nil.

Signed

Loell White Jervis

Date

17th December 1996

On behalf of [~~company~~] [mortgagee/chargee] [†]

[†] delete as
appropriate

- 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.

SCHEDULE

PART I

DEFINITIONS

In this Schedule so far as the context admits the following expressions have the following meanings:-

"Act" means the Law of Property Act 1925;

"Banks" means the banks and financial institutions listed in Part III of this Schedule together with any Bank which becomes a Bank for the purposes of the Debenture pursuant to Clause 16 of the Debenture and (where the context requires or permits) includes each or any of them and their respective successors and permitted assignees or transferees but excludes any Bank which has ceased to be a Bank for the purposes of the Debenture pursuant to Clause 29.1 of the Debenture;

"Charged Assets" means, in relation to a Charging Company, all the assets, goodwill, property, undertaking, rights and revenues whatsoever and wheresoever (present and future) of that Charging Company for the time being charged under the Debenture and includes (without limitation) all Charged Properties of that Charging Company and (where the context requires or permits) also includes any part of the foregoing;

"Charged Interests in Securities" shall have the meaning ascribed to that expression in sub-Clause 4.1(h)(iv) of the Debenture and set out in Part VII of this Schedule;

"Charged Properties" means, in relation to a Charging Company, all freehold and leasehold property of that Company for the time being charged under the Debenture and including the property set out in Part IX of this Schedule;

"Charged Securities" shall have the meaning ascribed to that expression in Sub-clause 4.1(h)(iii) of the Debenture set out in Part VIII of this Schedule;

"Charging Companies" means the companies named in Part I of the First Schedule of the Debenture and set out in Part II of this Schedule and (where the context requires or permits) includes each or any of them;

"Companies" means the companies named in Part II of the First Schedule of the Debenture and set out in Part II of this Schedule and (where the context requires or permits) includes each or any of them;

"Co-ordinator" shall have the meaning ascribed to that expression in the Facilities Agreement;

"Facilities" shall have the meaning set forth in the Facilities Agreement;

"Facilities Agreement" means the Facilities Agreement to be made between (1) the Parent and the Charging Companies, (2) the Banks, (3) Barclays Bank PLC as Security Trustee and (4) Barclays Bank PLC as Co-ordinator setting out the basis upon which the Banks are prepared to continue and/or make available the Facilities as amended, supplemented or replaced from time to time and any other facilities agreement entered into between a Bank and any of the Charging Companies after the date hereof; until the Effective Date (as defined in the Facilities Agreement firstly referred to) the operative document shall be the Standfast Letter dated 3 July 1996 addressed by the Co-ordinator to the companies named therein and the Banks as amended from time to time. From the Effective Date the operative document shall be the Facilities Agreement.

"Intellectual Property Rights" means, in relation to a Charging Company, all patents, trade marks, service marks (and all goodwill associated with them), all brands and trade names, all copyrights and rights in the nature of copyright, design rights and registered designs, all documented trade secrets and know-how and all other intellectual property rights now or in the future owned by that Charging Company, all applications for the protection of any such rights in any part of the world and the benefit of all agreements and licences now or in the future entered into or enjoyed by that Charging Company relating to the use or exploitation of any such rights;

"Parent" means Wickes plc (Registered Number 2070200);

"Permitted Encumbrances" shall have the meaning ascribed to that expression in the Facilities Agreement;

"Permitted Transactions" shall have the meaning ascribed to that expression in the Facilities Agreement;

"Receiver" means any receiver and manager or receivers and managers appointed under sub-Clause 7.1 and (where the context requires or permits) includes any substituted receiver and manager or receivers and managers;

"Secured Sums" means all money and liabilities covenanted and/or guaranteed to be paid or discharged by the Charging Companies and the Guarantors to the Banks, the Security Trustee or the Co-ordinator under Clause 2.1 of the Debenture or any other provision of the Debenture and includes any part of such money and liabilities;

"securities" includes all debentures, debenture stock, loan stock, loan notes, bills, warrants, coupons, deposit receipts or certificates, interests in or rights under or in connection with any fund or investment;

"Security Trustee" means the institution for the time being acting as agent and trustee for the Banks in relation to the Debenture, the first such institution being Barclays Bank PLC;

"Subsidiary" shall bear the meaning set forth in Section 736 of the Companies Act 1985 save that it shall include any subsidiary undertaking as defined in Section 258 of the Companies Act 1985;

"writing" includes facsimile transmission and any other mode of representing or reproducing words in a legible and non-transitory form, except in relation to any certificate, notice or other document which is expressly required by the Debenture to be signed, and "written" has a corresponding meaning.

PART II

LIST OF CHARGING COMPANIES

Wickes plc	2070200
Wickes Building Supplies Limited	1840419
Wickes Developments Limited	1795477
Wickes Properties Limited	1406897
Wickes Holdings Limited	1738919
Wickes Overseas Holdings Limited	1954281
Wickes Retail Sourcing Limited	1432633
Wickes Europe Limited	1954254
Wickes Nominee Limited	1874380
Hunter Limited	1169267
Hunter Estates Limited	266012
HTG (1996) Ltd	2255384
MD (1995) Limited	126379
May & Hassell Limited	64173
Berners Street Properties Limited	2072993
G.R. Wiltshire & Co., Limited	428924
Colthurst and Co. Limited	315822
J.S. Towell, Limited	242776
HT (1995) Limited	143633
Malden Timber Limited	453920
Linkshake Limited	2072985
MD (1995) Group Limited	SC91771
May & Hassell (Scotland) Limited	SCO30568

LIST OF COMPANIES

Wickes plc	2070200
Wickes Building Supplies Limited	1840419
Wickes Developments Limited	1795477
Wickes Properties Limited	1406897
Wickes Holdings Limited	1738919
Wickes Overseas Holdings Limited	1954281
Wickes Retail Sourcing Limited	1432633
Wickes Europe Limited	1954254
Wickes Nominee Limited	1874380
Hunter Limited	1169267
Hunter Estates Limited	266012
HTG (1996) Ltd	2255384
MD (1995) Limited	126379
May & Hassell Limited	64173
Berners Street Properties Limited	2072993
G.R. Wiltshire & Co., Limited	428924
Colthurst and Co. Limited	315822
J.S. Towell, Limited	242776
HT (1995) Limited	143633
Malden Timber Limited	453920
Linkshake Limited	2072985
MD (1995) Group Limited	SC91771
May & Hassell (Scotland) Limited	SCO30568
Wickes B.V.	
Wickes N.V.	

PART III

LIST OF BANKS AND FINANCIAL INSTITUTIONS

THE BANK OF NOVA SCOTIA

Scotia House
33 Finsbury Square
London EC2A 1BB

THE BANK OF TOKYO-MITSUBISHI, LIMITED

12-15 Finsbury Circus
London EC2M 7BT

BARCLAYS BANK PLC

UK Risk Management
Chatsworth House
66/70 St Mary Axe
London EC3A 8BD

CREDIT NATIONAL

45 Rue Saint Dominique
Paris 75700
France

THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND

Head Office - Syndications
UK Banking East, P O Box No. 12
Uberior House, 61 Grassmarket, Edinburgh
EH1 2JF

THE INDUSTRIAL BANK OF JAPAN, LIMITED

London Branch
Bracken House
One Friday Street
London EC4M 9JA

KREDIETBANK N.V. (London Branch)

Exchange House
Primrose Street
London EC2A 2HQ

LLOYDS BANK Plc

St George's House
6-8 Eastcheap
London EC3M 1LL

NATIONAL WESTMINSTER BANK PLC

Corporate Banking Services
11th Floor, Phase 1
King's Cross House
200 Pentonville Road
London N1 9HL

N M ROTHSCHILD & SONS LIMITED
New Court
St Swithin's Lane
London EC4P 4DU

STANDARD CHARTERED BANK
37 Gracechurch Street
London EC3V 0BX

PART IV

AMOUNT SECURED BY MORTGAGE OR CHARGE

By Clause 2.1. of the Debenture, each Charging Company:-

- (a) covenanted that it will on demand in writing made to it by the Security Trustee in accordance with any applicable Facilities Agreement pay or discharge to the Security Trustee as agent for the Banks and each of them all money and liabilities now or in the future due, owing or incurred in any manner to each Bank by such Charging Company in any currency and whether or not the Bank in question shall have been an original party to the relevant transaction;
- (b) covenanted and guaranteed that if any Company or Charging Company does not pay any money or liabilities covenanted to be paid or discharged to the Security Trustee under Clause 2.1(a) of the Debenture as set out as Part IV (a) in this Schedule, it will on demand in writing made to it by the Security Trustee pay or discharge (or procure the payment or discharge of) such money or liabilities to the Security Trustee.
- (c) covenanted that it will on demand in writing made to it by the Security Trustee in accordance with any applicable Facilities Agreement pay or discharge to the Security Trustee as agent for the Banks and each of them all other amounts due to the Security Trustee or to the Coordinator under the Facilities Agreement in their capacity as such;

in each case whether actually or contingently and whether solely or jointly with any other person and in whatever style, name or form, and whether as principal or surety, including (without prejudice to the generality of the foregoing) all liabilities in connection with foreign exchange transactions, accepting, endorsing or discounting notes and bills, or under bonds, guarantees, indemnities, documentary or other credits and/or any financing or similar transaction whatever from time to time entered into by any Bank for such Charging Company or such other Company together with all interest, commission, fees and other proper charges and expenses which any of the Banks may in the course of its business charge in respect of any of the above matters or for keeping the accounts of such Charging Company or such other Company. Provided that the total amount secured by the charges created by Clause 4 of the Debenture shall not exceed an amount equal to the aggregate of (i) £2,800,000 (two million, eight hundred thousand pounds sterling), and (ii) any fees, costs, charges and expenses incurred by the Security Trustee or any Receiver enforcing any rights under the Debenture and recoverable from a Charging Company under the Debenture (together with interest accruing thereon under the Debenture), without any double counting

The guarantee given in Clause 2.1. of the Debenture is given subject to and with the benefit of, the provisions set out in the Second Schedule of the Debenture by each Charging Company severally and also jointly with every other Charging Company except the Charging Company guaranteed.

PART V

PARTICULARS OF PROPERTY MORTGAGED OR CHARGED

By Clause 4 of the Debenture, each Charging Company with full title guarantee charged to the Security Trustee with the payment and discharge of the Secured Sums:-

- (a) by way of legal mortgage all the freehold and leasehold property of such Charging Company the title to which is registered at H M Land Registry, including those described opposite its name in Part I of the Third Schedule of the Debenture, together with all buildings, fixtures (including trade and tenant's fixtures belonging to the Charging Company but excluding landlords' fixtures and fittings where the relevant Charging Company is a tenant and excluding trade and tenant's fixtures and fittings belonging to the tenant of the relevant Charging Company where the relevant Charging Company is a Landlord) and fixed plant and machinery belonging to the relevant Charging Company at any time thereon;
- (b) by way of legal mortgage all other freehold and leasehold property of such Charging Company vested in it on 12th December 1996 or thereafter whether or not registered at H M Land Registry, including those described opposite its name in Part II of the Third Schedule of the Debenture, together with all buildings, fixtures (including trade and tenant's fixtures belonging to the Charging Company but excluding landlords' fixtures and fittings where the relevant Charging Company is a tenant and excluding trade and tenant's fixtures and fittings belonging to the tenant of the relevant Charging Company where the relevant Charging Company is a Landlord) and fixed plant and machinery belonging to the relevant Charging Company at any time thereon;
- (c) by way of first fixed charge all future freehold and leasehold property of such Charging Company, together with all buildings, fixtures (including trade and tenant's fixtures and fittings belonging to the Charging Company but excluding landlord's fixtures and fittings where the Charging Company is a tenant and excluding trade and tenant's fixtures and fittings belonging to the tenant of the relevant Charging Company where the relevant Charging Company is a Landlord) and fixed plant and machinery belonging to the relevant Charging Company at any time thereon;
- (d) by way of first fixed charge all interests and shares not effectively charged pursuant to the charges referred to above belonging to such Charging Company on 12th December 1996 or thereafter in or over land or the proceeds of sale of land and all licences held by such Charging Company on 12th December 1996 or thereafter to enter upon or use land and the benefit of all options, easements, agreements for lease or other agreements or rights relating to land to which such Charging Company was on 12th December 1996 or may thereafter become a party or otherwise entitled and all trade and tenant's fixtures, plant and machinery owned by such Charging Company on 12th December 1996 or thereafter annexed to all freehold and leasehold property its interest in which stands charged under the Debenture;
- (e) by way of first fixed charge all book debts (both present and future) due or owing to such Charging Company and the full benefit of all rights and remedies relating thereto, including (without prejudice to the generality of the foregoing) negotiable instruments, guarantees, debentures, legal and equitable charges and other security,

reservation of proprietary rights, rights of tracing and unpaid vendors' liens and similar and associated rights and remedies;

- (f) by way of first fixed charge all other monetary debts and claims both present and future (including things in action which give rise or may give rise to a debt or debts) on 12th December 1996 or thereafter due or owing to such Charging Company and the full benefit of all rights and remedies relating thereto, including (without prejudice to the generality of the foregoing) such rights and remedies as are described in clause Sub-clause 4.1 (e) above;
- (g) by way of first fixed charge any cash balances at any time standing to the credit of such Charging Company with any of the Banks including the proceeds of book debts and other debts and claims charged pursuant to Sub-clauses 4.1 (e) and 4.1 (f) of the Debenture which proceeds shall, for the avoidance of doubt, on payment into a Designated Account (as defined in Sub-clause 4.4(a) of the Debenture) cease to be subject to such charges in Sub-clauses 4.1(e) and 4.1(f) of the Debenture but shall be subject to the fixed charge in Sub Clause 4.1(g) of the Debenture;
- (h) by way of first fixed charge:-
 - (i) all stocks, shares, securities, debentures, loan stocks and other investments (whether or not marketable) on 12th December 1996 or thereafter owned (whether at law or in equity) by such Charging Company, including (without prejudice to the generality of the foregoing) all interests in investment funds and all loan capital, indebtedness or liabilities on any account or in any manner owing to such Charging Company in (and from) any company, including without limitation in (and from) any Subsidiary of the Parent or of any Charging Company;
 - (ii) the full benefit of all stocks, shares and securities owned on 12th December 1996 or thereafter (whether at law or in equity) by such Charging Company which or the certificates of which were at 12th December 1996 or may at any time thereafter be lodged with the Security Trustee or any of the Banks or held by the Security Trustee or any of the Banks or its agents or transferred to or registered in the name of the Security Trustee or any of the Banks or its agents or their respective nominees;
 - (iii) all rights belonging to such Charging Company in respect of or incidental to the property described at (i) and (ii) above (the property (i) to (iii) inclusive hereby charged being hereinafter called "the Charged Securities"); and
 - (iv) all stocks, shares, rights, money, benefits or property accruing or offered at any time by way of conversion, redemption, bonus, rights, preference, option, capital reorganisation or otherwise to or in respect of any of the Charged Securities of such Charging Company, including all dividends, interest and other income payable in connection therewith (all of which property (i) to (iv) hereby charged are hereinafter called "Charged Interests in Securities");
- (i) by way of first fixed charge all the goodwill and uncalled capital of such Charging Company both on 12th December 1996 and in future (except capital subject to a share option scheme in favour of employees previously approved by the Inland Revenue and the shareholders of such Charging Company);

- (j) by way of fixed charge, all Intellectual Property Rights of such Charging Company, excluding (but only to the extent that and for so long as it is not capable of being validly charged by way of fixed charge) the benefit of any present or future agreement licence or comprised in or relating to such rights;
- (k) by way of first fixed charge all contracts and policies of insurance and assurance held by or otherwise benefiting such Charging Company on 12th December 1996 or thereafter save for public liability, employers liability and similar policies maintained to benefit third parties and all rights and interests of such Charging Company in every such contract or in any policy on 12th December 1996 or thereafter arising (including all claims arising and all money payable under such contracts and policies); and
- (l) by way of floating charge all the undertaking and all property, assets, rights and revenues of such Charging Company whatsoever and wheresoever, both present and future, including (without prejudice to the generality of the foregoing):-
 - (i) all heritable and moveable property and all other property, rights, interests and assets in Scotland or governed by the law of Scotland;
 - (ii) any property, assets, rights comprised within a charge which is reconverted into a floating charge under Sub-clause 4.13 of the Debenture; and
 - (iii) the property described in (a) to (k) inclusive above and insofar as the charges thereon or on any part of such property shall for any reason be ineffective as fixed charges.

By Clause 4.3. of the Debenture it was agreed for the avoidance of doubt and without prejudice to the generality of Sub-clause 4.1 of the Debenture that the fixed charges given by each Charging Company under Sub-clauses 4.1(e) and (f) of the Debenture shall apply (inter alia) to all book debts and all other monetary debts and claims now or hereafter due or owing to such Charging Company by any other Charging Company or Subsidiary thereof and the benefit of all debentures, legal and equitable charges and other security now or hereafter held by it from such other Charging Company or any Subsidiary thereof.

By Clause 4.7. of the Debenture, each Charging Company upon written request of the Security Trustee and subject to obtaining any necessary consents will with full title guaranteed thereby assigned (to the extent that the same is assignable) by way of security for the Secured Sums in favour of the Security Trustee all or any of the following:-

- (m) all claims of such Charging Company against all persons who now or may at any time be lessees, sub-lessees or licensees of land and all guarantors and sureties for the obligations of such persons;
- (n) the benefit of all guarantees, warranties and representations given or made to such Charging Company by, and any rights or remedies against, all or any of the manufacturers, suppliers or installers of any fixtures contained in such Charging Company's land or buildings;
- (o) the benefit of all rights and claims to which such Charging Company is now or may become entitled under any agreements for lease, agreements for sale, contracts, options or undertakings relating to any estate, right or interest in or over such Charging Company's land, buildings or real property;

- (p) all rights and claims to which such Charging Company is now or may become entitled against any builder, contractor or professional adviser engaged in relation to any real property or real property development or works, including, without prejudice to the generality of the foregoing, under any collateral warranty or similar agreement
- (q) the benefit of all rights and claims to which such Charging Company is now or may become entitled under or in respect of any joint venture, partnership or similar arrangement or agreement.

PART VI

COVENANTS AND RESTRICTIONS

By Clause 4.3. of the Debenture:

during the continuance of the Debenture, each Charging Company shall pay into the account(s) specified in a letter dated on or about the date of the Debenture from the Security Trustee to the Charging Companies and expressed to be the "Account Designation Letter" or to such other account(s) agreed to by the Security Trustee (acting on the instructions of the Majority Banks) (each such account being a "Designated Account") all insurance proceeds (save to the extent that they are by law or by then existing contractual arrangements (including any applicable Facilities Agreement) to be used in reinstatement of relevant Charged Assets), all royalties from the Intellectual Property Rights and all money which it may receive in respect of the book debts and other debts and claims hereby charged by it and until such payment shall hold all money so received upon trust for the Security Trustee and shall not without the prior consent of the Security Trustee in writing and save as otherwise agreed by the Security Trustee in writing or for Permitted Encumbrances, purport to sell, charge, factor or encumber, assign or otherwise sell or, save also for Permitted Transactions where the consent of the Co-ordinator has been obtained, dispose of the same (or any interest therein) in favour of any other person and shall if called upon to do so by the Security Trustee:-

- (i) following either a demand under any applicable Facilities Agreement or the Debenture (or prior to the making of a demand, if a Bank believes that the security constituted by the Debenture may be in some way defective) execute a legal assignment by way of security or fixed charge over such book debts and other debts and claims to the Security Trustee as the Security Trustee may specify; and/or
 - (ii) deliver such particulars as to the amount and nature of such book and other debts and claims as the Security Trustee may from time to time reasonably require.
- (b) each Charging Company irrevocably and unconditionally agreed that if there shall from time to time be any credit balance on any Designated Account with the Security Trustee, the Security Trustee shall have an absolute discretion whether to permit or refuse such credit balances to be utilised or withdrawn by such Charging Company, whether in whole or in part.
- (c) if the Security Trustee shall release, waive or postpone its rights in respect of any book and other debts and claims for the purpose of enabling a Charging Company to factor them to a third party, the charges hereby created shall in all other respects remain in full force and effect and in particular any amounts becoming due to the relevant Charging Company from such third party and any book and other debts and claims re-assigned by it to the relevant Charging Company shall be subject to the relevant fixed charge created by Sub-clause 4.1 of the Debenture subject only to any defences or rights of set-off which such third party may have against the relevant Charging Company

By Clause 4.5. of the Debenture, unless and until the Security Trustee otherwise directs for the purpose of preserving the value of this security or realising it, a Charging Company shall for so long as it remains the registered owner of any shares charged by the

Debenture continue to be entitled to exercise the rights attaching to such shares as beneficial owner and shall exercise them so as not to jeopardise or be likely to jeopardise the Debenture.

By Clause 4.6. of the Debenture, each Charging Company shall use its reasonable endeavours (if so requested by the Security Trustee) promptly to obtain any consent for the creation of a fixed charge over any Intellectual Property Rights otherwise excluded under Sub-clause 4.1(j) of the Debenture (as set out in Part V (j) of this Schedule)

By Clause 4.8 of the Debenture each Charging Company covenanted that it would not without the prior consent in writing of the Security Trustee create, or agree or attempt to create, or permit to subsist, any Encumbrance over any Charged Asset, save (i) anything contemplated in the Debenture and (ii) Permitted Encumbrances.

Under Clause 4.7. of the Debenture, each Charging Company upon written request of the Security Trustee and subject to obtaining any necessary consents will with full title guarantee assign (to the extent that the same is assignable) by way of security for the Secured Sums in favour of the Security Trustee all or any of the following:-

- (a) all claims of such Charging Company against all persons who now or may at any time be lessees, sub-lessees or licensees of land and all guarantors and sureties for the obligations of such persons;
- (b) the benefit of all guarantees, warranties and representations given or made to such Charging Company by, and any rights or remedies against, all or any of the manufacturers, suppliers or installers of any fixtures contained in such Charging Company's land or buildings;
- (c) the benefit of all rights and claims to which such Charging Company is now or may become entitled under any agreements for lease, agreements for sale, contracts, options or undertakings relating to any estate, right or interest in or over such Charging Company's land, buildings or real property;
- (d) all rights and claims to which such Charging Company is now or may become entitled against any builder, contractor or professional adviser engaged in relation to any real property or real property development or works, including, without prejudice to the generality of the foregoing, under any collateral warranty or similar agreement
- (e) the benefit of all rights and claims to which such Charging Company is now or may become entitled under or in respect of any joint venture, partnership or similar arrangement or agreement.

By Clause 4.8. of the Debenture each Charging Company covenanted that it shall not without the prior consent in writing of the Security Trustee create, or agree or attempt to create, or permit to subsist, any Encumbrance over any Charged Asset, save (i) anything contemplated under the Debenture herein and (ii) Permitted Encumbrances;

By Clause 4.9. of the Debenture each Charging Company covenanted that each Charging Company thereby applied to the Chief Land Registrar for a restriction to be entered on the register of title of all present registered freehold and leasehold property of such Charging Company, and agreed to apply for such a restriction when requested by the Security Trustee in respect of all such freehold and leasehold property acquired by the relevant Charging Company after the date hereof, in the following terms:-

"Except under an order of the Registrar, no disposition by the proprietor of the land is to be registered without the consent of the proprietor for the time being of the charge hereby created."

By Clause 4.10 of the Debenture, the floating charge created by any Charging Company under Sub-clause 4.1(i) of the Debenture may be crystallised by notice in writing given by the Security Trustee to that Charging Company at any time following a demand under Clause 2 of the Debenture. Such crystallisation shall take effect over such Charged Asset or class or classes of Charged Assets as shall be specified in the notice or, if no particular Charged Assets are so specified, then it shall take effect over all Floating Charge Assets of that Charging Company.

By Clause 4.11 of the Debenture, if, except in the case of a Permitted Encumbrance, a Charging Company without the prior written consent of the Security Trustee seeks to create an Encumbrance over any of the Charged Assets or without the consent of the Co-ordinator seeks to sell or dispose of any Charged Assets the subject of a Fixed Charge hereunder or, except by way of a sale or other disposition in the ordinary course of business, seeks to sell or dispose of any Charged Assets the subject of a Floating Charge hereunder or, if any person seeks to take any step to levy any distress, execution, sequestration or other process against any Charged Asset, then, in any of such cases, the floating charge created by Sub-clause 4.1(i) of the Debenture as set out in Part V of this Schedule shall be automatically crystallised (without the necessity of notice) into a fixed charge over such Charged Asset instantly on the occurrence of such event.

By Clause 4.12 of the Debenture, Floating Charge Assets acquired by a Charging Company after crystallisation has occurred under Sub-clause 4.10 or 4.11 of the Debenture shall continue subject to the floating charge created by Sub-clause 4.1(i) as set out in Part V of this Schedule so that the crystallisation shall be effective only as to Floating Charge Assets in existence at the date of crystallisation unless otherwise stated in any notice given under Sub-clause 4.10 of the Debenture or unless such notice relates to all Floating Charge Assets of that Charging Company.

By Clause 4.13 of the Debenture, any charge which has crystallised under Sub-clause 4.10 or 4.11 of the Debenture may, by notice in writing given at any time by the Security Trustee to the relevant Charging Company, be reconverted into a floating charge in relation to the Charged Assets or class or classes of Charged Assets specified in such notice and shall, in respect of any charge which has crystallised in respect of any Charged Assets under sub-clause 4.10 of the Debenture, be reconverted into a floating charge over those assets if and to the extent that the event or circumstance which gave rise to crystallisation under Sub-clause 4.10 of the Debenture has been remedied to the satisfaction of the Security Trustee.

By Clause 4.14. of the Debenture, any mortgage, fixed charge or other fixed security created in the future by a Charging Company in favour of the Security Trustee shall (save as the Security Trustee shall otherwise declare at or after the time of its creation) have priority over the floating charge created by Sub-clause 4.1(i) of the Debenture.

By Clause 4.15. of the Debenture, any debentures, mortgages or charges (fixed or floating) created in the future by a Charging Company (except those in favour of the Security Trustee or Permitted Encumbrances) shall be expressed to be subject to the Debenture and shall rank in order of priority behind the charges created by the Debenture.

By Clause 6.1. of the Debenture each Charging Company covenanted that during the continuance of the Debenture:

- (a) each Charging Company would not, without the prior written consent of the Security Trustee (save where it is permitted to do so under Clause 2 of the Facilities Agreement for so long as it remains in force) seek to compromise, compound, discharge, postpone, release, set-off, settle or subordinate any of the book debts and other debts or claims hereby charged or waive its rights of action in connection therewith, or do or omit to do anything which may delay or prejudice a full recovery thereof;
- (b) each Charging Company would at the request of the Security Trustee but, subject to the rights of any prior mortgagee, deposit with the Security Trustee and/or such other Bank or Banks as the Security Trustee may from time to time nominate, and the Security Trustee and/or such Bank or Banks would during the continuance of the Debenture be entitled to hold:-
 - (i) all stock and share certificates and documents of title relating to Charged Interests in Securities and stock transfer forms executed by the relevant Charging Company fully completed (save with the name of the transferee and the date left blank);
 - (ii) all deeds and documents of title (if any) relating to the Charged Assets;
 - (iii) all insurance policies relating to the Charged Assets to which the Charging Companies are entitled to possession and certified copies thereof certified by the policy holder in all other cases; and
 - (iii) all policies of assurance charged under the Debenture;

By Clause 6.2. of the Debenture, no Charging Company shall use or allow any of its Charged Assets to be used for any purpose prohibited by the terms or conditions of any policy of insurance for the time being relating thereto, nor do or omit to do or allow to be done or to be omitted to be done any act or thing whereby any such insurance may be expected to be invalidated.

By Clause 6.5. of the Debenture save for Permitted Encumbrances, each Charging Company shall not, without the prior written consent of the Security Trustee, at any time enter into onerous or restrictive obligations affecting any land or create or permit to arise any overriding interest or any easement or right whatever in or over it which might adversely affect its value in any material respect.

By Clause 6.8. of the Debenture each Charging Company thereby undertook with the Security Trustee that, in relation to any lease or agreement for lease or licence to which all or any part of the Charged Properties may for the time being be subject, each Charging Company will, unless the Security Trustee otherwise expressly agrees in writing:-

- (r) in all material respects observe and perform the covenants on the part of the lessor or licensor and the conditions contained therein;
- (s) in respect of lessees or licensors, use reasonable endeavours duly to enforce performance and observance of material covenants and conditions contained therein.

By Clause 11 of the Debenture, during the continuance of the Debenture, save as provided in any applicable Facilities Agreement while it is subsisting:-

- (t) no statutory or other power of granting or agreeing to grant or of accepting or agreeing to accept surrenders of leases or tenancies or licences of the freehold and leasehold property or any part thereof charged by the Debenture shall be capable of being exercised by the Charging Companies (except in favour of any other Charging Company) without the previous consent in writing of the Security Trustee, nor shall Section 93 of the Act dealing with the consolidation of mortgages apply to the Debenture;
- (u) none of the Charging Companies shall be entitled to part with possession (otherwise than on determination of any tenancy or licence) of any part of any freehold or leasehold property charged by the Debenture or to share occupation thereof with any other person or persons (other than another Charging Company) or to surrender or purport to surrender or permit to be forfeited the lease of any leasehold property hereby charged without the consent of the Security Trustee as aforesaid.

By Clause 17.1 of the Debenture, each Charging Company thereby undertook that, if and whenever the Security Trustee shall so require after 12 December 1996 in accordance with any Facilities Agreement, it will forthwith cause to be executed in favour of the Security Trustee such new or additional guarantees and/or charges and/or other security over such of its assets or classes of assets available for security as the Security Trustee may from time to time specify (following instructions from the Banks), to secure all money and liabilities for the time being due, owing or incurred to the Banks by the Companies. No Group Company will be required to provide security the terms of which have a commercial effect on it, its directors or shareholders more adverse than, or inconsistent with, the general scope of security arrangements set forth in the Debenture.

By Clause 17.2. of the Debenture, it was agreed that where a mortgage, charge, security or guarantee is requested by the Security Trustee from any Material Subsidiary hereunder the Charging Companies shall procure the execution and delivery thereof to the extent that they are able to do so through the exercise of all voting rights and powers of control available to them in relation to such Subsidiary. If the Charging Companies are unable to cause such Subsidiary to provide guarantees and security in respect of the liabilities of the other Companies, the Charging Companies will nevertheless use all reasonable efforts to cause such Subsidiary to provide security for its own liabilities to the Banks if so required by the Security Trustee.

PART VII

CHARGED INTERESTS IN SECURITIES

- (i) all stocks, shares, securities, debentures, loan stocks and other investments (whether or not marketable) now or hereafter owned (whether at law or in equity) by such Charging Company, including (without prejudice to the generality of the foregoing) all interests in investment funds and all loan capital, indebtedness or liabilities on any account or in any manner owing to such Charging Company in (and from) any company, including without limitation in (and from) any Subsidiary of the Parent or of any Charging Company;
- (ii) the full benefit of all stocks, shares and securities now or hereafter owned (whether at law or in equity) by such Charging Company which or the certificates of which are now or may at any time hereafter be lodged with the Security Trustee or any of the Banks or held by the Security Trustee or any of the Banks or its agents or transferred to or registered in the name of the Security Trustee or any of the Banks or its agents or their respective nominees;
- (iii) all rights belonging to such Charging Company in respect of or incidental to the property described at (i) and (ii) above (the property (i) to (iii) inclusive hereby charged being hereinafter called "the Charged Securities"); and
- (iv) all stocks, shares, rights, money, benefits or property accruing or offered at any time by way of conversion, redemption, bonus, rights, preference, option, capital reorganisation or otherwise to or in respect of any of the Charged Securities of such Charging Company, including all dividends, interest and other income payable in connection therewith (all of which property (i) to (iv) hereby charged are hereinafter called "Charged Interests in Securities");

PART VIII

CHARGED SECURITIES

all rights belonging to such Charging Company in respect of or incidental to the property described at (i) and (ii) above (the property (i) to (iii) inclusive hereby charged being hereinafter called "the Charged Securities")

PART IX

REGISTERED FREEHOLD AND LEASEHOLD LAND TO BE MORTGAGED

No.	Name of Company	Description of Property	Title Number
1.	Hunter Estates Limited	Kingfisher Wharf London Road Bedford MK42 0PA	BD48960
2.	Wickes Developments Limited	Hernston Lane Bridgend	WA762480
3.	Wickes Developments Limited	Carnival Park Taunton Road Bridgwater Somerset	ST 67377
4.	Hunter Estates Limited	Fox Street Bury Lancashire	LA324228 GM 703775
5.	Hunter Estates Limited	East Tyndall Street Cardiff	WA77960 WA47924 WA95870
6.	Wickes Developments Limited	St Columbas Close Coventry	WM608607
7.	Hunter Estates Limited	Sidegate Durham DH1 5TF	DU43708
8.	Hunter Estates Limited	Waddicar Lane Melling Liverpool	MS126820 MS252769
9.	Wickes Properties Limited	19-21 Mortimer Street London W1N 8JT	LN162701
10.	Wickes Properties Limited	John Penn Street Blackheath London	TGL116715

No.	Name of Company	Description of Property	Title Number
11.	Wickes Developments Limited	Duplex Works Margate Road Broadstairs Margate	K245286
12.	Berners Street Properties Limited	Weldale Street Reading Berkshire RG1 7BX	BK256191 BK279886
13.	Colthurst and Co. Limited	Priorswood Road Taunton Somerset	ST40995
14.	Hunter Estates Limited	Land on the North Side of Brookcrofts Road Walthamstow Waltham Forest	EGL128081
15.	Hunter Estates Limited	Site No. 3 Clapham Station Goods Yard Timber Mill Way Gauden Road Clapham Lambeth	SGL267054

Unregistered Freehold and Leasehold Land to be Mortgaged

No.	Name of Company	Description of Property
1.	May & Hassell Limited	Olive Mount Fishtoft Road Boston Lincolnshire
2.	J. S. Towell, Limited	Skirbeck Road Boston Lincolnshire PE21 6DA
3.	Wickes Properties Limited	Bristol Road Bridgwater Somerset
4.	May & Hassell (Scotland) Limited	14 Cameron Drive Bearsden Glasgow
5.	May & Hassell (Scotland) Limited	Strathclyde Sawmills Castle Road Dumbarton

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 00126379

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A LIMITED RECOURSE GUARANTEE AND DEBENTURE DATED THE 12th DECEMBER 1996 AND CREATED BY MD (1995) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY AND ALL OR ANY OF THE OFF THE COMPANIES NAMED THEREIN TO BARCLAYS BANK PLC AS AGENT AND TRUSTEE FOR THE BANKS (AS DEFINED) UNDER THE FACILITIES AGREEMENT (AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 20th DECEMBER 1996.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24th DECEMBER 1996.

M. Ikram Dar
M. IKRAM DAR.

for the Registrar of Companies

Post SL
24-12-96



COMPANIES HOUSE

HC026B