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legibly, preferably
in black type, or
bold block lettering

*insert full name
of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

A fee of £13 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

7

226742

Name of company

* CGNU ASSURANCE LIMITED (THE "CHARGOR")

Date of creation of the charge

✓ 18 NOVEMBER 2005

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

SEE RIDER 1

Amount secured by the mortgage or charge

SEE RIDER 2

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

LLOYDS TSB BANK PLC
25 GRESHAM STREET
LONDON

Postcode EC2V 7HN

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

CMS Cameron McKenna LLP
Mitre House
160 Aldersgate Street
London
EC1A 4DD

STCP/110125.00029

Time critical reference



Please return via

London Counter

Short particulars of all the property mortgaged or charged

SEE RIDER 3

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

Particulars as to commission allowance or discount (note 3)

NIL

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

Signed Miss Catherine McKenna

Date 1/12/05

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

† 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 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

FORM 395 – PARTICULARS OF CHARGE OVER PROPERTY

NAME OF COMPANY: CGNU Life Assurance Limited

COMPANY NUMBER: 226742

RIDER 1

DESCRIPTION OF THE INSTRUMENT CREATING OR EVIDENCING THE CHARGE

Supplemental Investors Security Agreement dated 18 November 2005 and made between (1) the Chargor and (2) Lloyds TSB Bank plc (the "**Security Trustee**") as a supplemental agreement to the Investors Security Agreement dated 18 November 2005 and made between (1) Tapesilver Limited (as defined below) (2) Launchgrain Limited (as defined below) (3) Mourant Property Trustees Limited (the "**Broadstairs Trustee**") (4) Mourant Property Trustees Limited (as Arena Trustee) and (5) Lloyds TSB Bank plc (as Security Trustee) (the "**Charge**").

RIDER 2

AMOUNT SECURED BY THE MORTGAGE OR CHARGE

All present and future monies, obligations and Liabilities (as defined below) (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) which from time to time are or may become due, owing or payable by the Borrower, the Chargors (as each is defined below) or the Broadstairs Trustee to any of the Broadstairs Finance Parties under the Broadstairs Finance Documents (as each is defined below) (the "**Broadstairs Secured Obligations**").

RIDER 3

SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED

As continuing security for the payment and discharge of all the Broadstairs Secured Obligations, the Chargor charges with full title guarantee in favour of the Security Trustee:

- (a) by way of first fixed charge the Benefit of any Interest (as each is defined below) it holds from time to time in and to:
 - i) all Rental Income (as defined below);
 - ii) all Broadstairs Income (as defined below)(directly or indirectly); and
 - iii) (so far as not charged by the floating charge created in Clause 2.1.2 of the Charge) all Related Rights (as defined below); and
- (b) by way of a first floating charge, the Benefit of any Interest it holds from time to time in and to:
 - i) all Rental Income;
 - ii) all Broadstairs Income (directly or indirectly); and

- iii) (so far as not charged by the floating charge created in the Charge) all Related Rights.

N.B. The Charge also contains the following provisions:

1. Conversion of Floating Charge by Notice

1.1 The Security Trustee may, in its absolute discretion, by written notice to the Chargor convert the floating charge created by the Chargor pursuant to the Charge into a fixed charge if:

- (a) an Event of Default (as defined below) occurs and is continuing; or
- (b) the Revenue Account (as defined below) (or any replacement thereof) or Related Rights or other assets subject to the floating charge are in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy;

and the Chargor shall upon such event forthwith on demand execute and deliver to the Security Trustee a first fixed charge or security over the Benefit of any Interest it holds from time to time in and to the Revenue Account (or any replacement thereof) or Related Rights or any other asset subject to the floating charge.

1.2 The Security Trustee may by notice to the Chargor reconvert any charge over any of its such assets into a floating charge.

1.3 From and including the date on which the Security Trustee delivers a notice under Clause 2.2.1 of the Charge and unless and until it is withdrawn, no amount may be withdrawn from the Revenue Account without the prior written consent of the Security Trustee.

2. Automatic Conversion of Floating Charge

2.1 Notwithstanding Clause 2.2 (*Conversion of Floating Charge by Notice*) of the Charge and without prejudice to any law which may have a similar effect, the floating charge created by the Chargor pursuant to the Charge will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge:

- (a) if the Chargor creates or attempts to create any Security Interest (other than a Permitted Security Interest) (as each is defined below) over any of the assets subject to the floating charge;
- (b) if a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Chargor, (other than for the purposes of or pursuant to a solvent amalgamation or reconstruction first approved by the Security Trustee acting reasonably) or an administrative event occurs in respect of the Chargor; or
- (c) upon the delivery of an Enforcement Notice (as defined below) by the Security Trustee upon the Chargor,

and the Chargor shall upon such event forthwith on demand, execute and deliver to the Security Trustee a first fixed charge or security over any such assets in such form as is satisfactory to the Security Trustee.

2.2 The Security Trustee may by notice to the Chargor reconvert any charge over any assets the subject of an automatic conversion into a floating charge.

3. Negative Pledge

The Chargor shall not create or permit to subsist any Security Interest on any Charged Property other than any Permitted Security Interest.

4. No Disposal of Interests

The Chargor shall not (and shall not agree to) at any time, except as permitted under Clause 4.4 (*Supplemental Investors' Security Agreement*) of the Charge or otherwise under the Charge or any other Broadstairs Finance Document:

- a) execute any conveyance, transfer, lease, assignment or assignation of, or other right to use or occupy, all or any part of the Charged Property (save to Launchgrain Limited and Tapesilver Limited and having first given not less than fourteen days' notice to the Security Trustee and having complied with Clauses 4.4 and 4.6 of the Charge);
- b) create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of the Charged Property (save to Launchgrain Limited and Tapesilver Limited and having first given not less than fourteen days' notice to the Security Trustee and having complied with Clauses 4.4 and 4.6 of the Charge).

SCHEDULE OF DEFINITIONS AND INTERPRETATION

1. All defined terms and expressions used herein shall, if not otherwise defined, have the following meanings and any terms not here defined shall have the meaning given to such term in the Charge or, if not defined therein, the Broadstairs Facility Agreement.

"Ancillary Rights": means in relation to an Interest, all ancillary rights, accretions and supplements to such Interest, including any guarantees or indemnities in respect of such Interest;

"Arena Unit Holders": means the holders from time to time of the Arena Units;

"Benefit": in respect of any Interest held, assigned, conveyed, transferred, charged, sold or disposed of by any person means:

(a) all right, title, interest and benefit, present and future, actual and contingent (and interests arising in respect thereof) of such person in, to, under and in respect of such Interest and all Ancillary Rights in respect of such Interest;

(b) all monies and proceeds payable or to become payable under, in respect of, or pursuant to such Interest or its Ancillary Rights and the right to receive payment of such monies and proceeds and all payments made including, in respect of any bank account, all sums of money which may at any time be credited to such bank account together with all interest accruing from time to time on such money and the debts represented by such bank account;

(c) the benefit of all covenants, undertakings, representations, warranties and indemnities in favour of such person contained in or relating to such Interest or its Ancillary Rights;

(d) the benefit of all powers of and remedies for enforcing or protecting such person's right, title, interest and benefit in, to, under and in respect of such Interest or its Ancillary Rights, including the right to demand, sue for, recover, receive and give receipts for proceeds of and amounts due under or in respect of or relating to such Interest or its Ancillary Rights; and

(e) all items expressed to be held on trust for such person under or comprised in any such Interest or its Ancillary Rights, all rights to deliver notices and/or take such steps as are required to cause payment to become due and payable in respect of such Interest and its Ancillary Rights, all rights of action in respect of any breach of or in connection with any such Interest and its Ancillary Rights and all rights to receive damages or obtain other relief in respect of such breach;

"Borrower": the Broadstairs Unit Trust;

"Borrower Unit Holders": means the holders from time to time of the Borrower Units;

"Chargors": means each of Launchgrain Limited (in its capacities as a Broadstairs Unitholder and as an Arena Unitholder), Tapesilver Limited (in its capacity as an Arena Unitholder) and the Chargor;

"Charged Property": means all Interests of the Chargor which are subject to the Security;

"Broadstairs Facility Agreement": means the Broadstairs Facility Agreement dated on or about the date of this Deed between the Borrower, the Broadstairs Trustee, the Original Lender, the Agent, the Security Trustee, the Arranger and the Original Hedging Counterparty;

"Broadstairs Finance Documents": means the Broadstairs Facility Agreement, the Security Documents, any Transfer Certificate, each Fee Letter, each Hedging Agreement and any other document designated as such from time to time by the Borrower and the Agent;

"Broadstairs Finance Parties": means each Lender, the Hedging Counterparty, the Security Trustee, the Agent and the Arranger;

"Broadstairs Income": means the "Trust Income" as defined in the Broadstairs Unit Trust Instrument;

"Developer": means SHDL, in its capacity as developer under the Development Agreements or such replacement developer approved by the Agent (acting reasonably);

"Enforcement Notice": has the meaning given in the Broadstairs Facility Agreement;

"Event of Default": means any event or circumstance specified as such in Clause 18 (*Default*) of the Broadstairs Facility Agreement;

"Interest": means any asset including any agreement, bank account, property, chose in action or right;

"Launchgrain Limited": means a company incorporated in England and Wales under registered number 5260856 whose registered office is at Tesco House, Delamare Road, Cheshunt, Waltham Cross, Hertfordshire, EN8 9S;

"Liabilities": means, in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses or other liabilities whatsoever (including legal fees and penalties and any part of such item as represents any VAT but excluding Tax imposed on, or calculated by reference to, that person's net income, profit or gains) incurred by that person or for which that person is legally liable and any awards, claims, demands, judgments, actions or proceedings made or taken against that person;

"Occupational Leases": means the TSL Occupational Leases and the Third Party Occupational Leases;

"Occupational Tenants": means TSL and the Third Party Occupational Tenants;

"Permitted Security Interest": means any Security Interest arising under, by virtue of or permitted to be created in accordance with, a Broadstairs Finance Document including:

(a) liens arising by operation of law in the ordinary course of business in respect of any obligation which is not overdue for settlement;

(b) any Security Interest arising out of title retention provisions in a supplier's standard conditions of supply of goods acquired in the ordinary course of business;

(c) any Security Interest granted to the Agent under, or pursuant to, a Broadstairs Finance Document;

"Phase III Development Agreement": means the development agreement entered into by the Developer in respect of the Phase III Development Project;

"Property": means the Existing Units and the New Units and, save where the context requires otherwise, does not include any property if the Borrower has disposed of all of its interest therein (if any) in accordance with the Broadstairs Finance Documents;

"Related Rights": means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and
- (d) any moneys and proceeds paid or payable in respect of that asset;

"Rental Income": means all sums paid or payable to the Borrower for the benefit of the Borrower or the Borrower Unit Holders or the Arena Unit Holders arising from the letting, use or occupation of all or any part of the Property, including:

- (a) all rental income, including in relation to the Occupational Leases the rent payments payable by each Occupational Tenant and any other amounts payable by the Occupational Tenant, the Tesco Guarantor or the SHDL Guarantor pursuant to each Occupational Lease and/or the Phase III Development Agreement as appropriate;
- (b) proceeds of insurance in respect of loss of rent;
- (c) receipts from or the value of consideration given for the surrender or variation of any letting;
- (d) proceeds paid by way of reimbursement of or on account of Service Charge Expenses;
- (e) proceeds paid for a breach of covenant under any Occupational Lease in relation to the Property and for expenses incurred in relation to any such breach;
- (f) any contribution to a sinking fund paid by an Occupational Tenant;
- (g) any contribution by an Occupational Tenant of the Property to ground rent due under any Occupational Lease out of which the Borrower derives its interest in the Property;
- (h) interest, damages or compensation in respect of any of the items in this definition; and
- (i) any VAT on any sum mentioned in this definition;

"Revenue Account": has the meaning given in the Broadstairs Facility Agreement;

"Secured Creditors": means the secured parties under the Security Documents, namely:

- (a) the Security Trustee (for itself and for and on behalf of the Secured Creditors);
- (b) the Broadstairs Finance Parties; and
- (c) any Receiver appointed under the Security Documents;

“Security Interest”: means any mortgage, charge, pledge, lien, assignment, hypothecation or other security interest;

“Service Charge Expenses”: means expenses incurred or to be incurred by or on behalf of the Borrower in the management, maintenance and repair of the Property, the provision of services specified in any Occupational Lease, and the payment of insurance premiums for the Property;

“SHDL”: means Spen Hill Developments Limited, a private limited company incorporated in England and Wales with registered number 4827219;

“SHDL Guarantee”: means the rental guarantee as set out in the Phase III Development Agreement;

“SHDL Guarantor”: means SHDL in its capacity as guarantor pursuant to the SHDL Guarantee;

“Tapesilver Limited”: means a company incorporated in England and Wales under registered number 5205362 whose registered office is at Tesco House, Delamare Road, Cheshunt, Waltham Cross, Hertfordshire, EN8 9SL;

“Tesco Guarantee”: means the guarantee given by the Tesco Guarantor to the Borrower under the TSL Occupational Leases as a guarantee of the performance by TSL of all covenants, undertakings and obligations contained in, and payment of all rents and other sums due to the Borrower pursuant to, the TSL Occupational Leases;

“Tesco Guarantor”: means Tesco Plc in its capacity as guarantor pursuant to the Tesco Guarantee;

“TSL”: means Tesco Stores Limited; and

“TSL Occupational Leases”: means the occupational leases, as varied, amended or supplemented of the Extra and the PFS granted to TSL (each a “TSL Occupational Lease”).

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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. 00226742

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SUPPLEMENTAL INVESTORS SECURITY AGREEMENT DATED THE 18th NOVEMBER 2005 AND CREATED BY CGNU LIFE ASSURANCE LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE BORROWER, THE CHARGORS OR THE BROADSTAIRS TRUSTEE TO ANY OF THE BROADSTAIRS FINANCE PARTIES 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 2nd DECEMBER 2005.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 6th DECEMBER 2005.

R. A



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES