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CHFP041

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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

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

390348/20

395

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

For official use Company number

Name of company

005

226742

* CGNU Life Assurance Limited (the "Chargor")

Date of creation of the charge

9 January 2004

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

03 Legal Mortgage made between (1) the Chargor, (2) Precis (2187) Limited ("Precis (2187)") and (3) Crest Nicholson Developments (Chertsey) Limited ("CNDCL"), (the "Mortgage")

Amount secured by the mortgage or charge

OT The Chargor as trustee under the Permitted Declaration (as defined below) covenanted to pay to Precis (2187) or discharge, as the case may be, all the Secured Liabilities (as defined below) when the Secured Liabilities become due.

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

T. Precis (2187) Limited ("Precis (2187)")

85 Buckingham Gate, London

Postcode SW1E 6PD

Presentor's name, address and
reference (if any):Osborne Clarke
2 Temple Back East
Temple Quay BS1 6EG
DX 7818 Bristol

CAK/0856707/1135774/ALZ

Time critical reference

For official use
Mortgage section

Post room

A09
COMPANIES HOUSE

A09LMNRTZ

0674
17/01/04

Short particulars of all the property mortgaged or charged

By way of continuing security in favour of Precis (2187) for the payment and discharge of the Secured Liabilities, the Chargor with limited title guarantee charged to Precis (2187) by way of legal mortgage, Chertsey South (as defined below) and all Rights (as defined below).

Negative Pledge

The Chargor has covenanted that it shall not:

- 1 make a Disposal (as defined below) in respect of the whole or part of the Charged Property (as defined below) save by way of a Permitted Disposal (as defined below);
- 2 Save where required in order to carry out a Development (as defined below) or obtain short term rental income do, cause or permit to be done anything which would materially adversely affect the value to Precis (2187) of the Security created by the Mortgage.

Definitions

For these purposes:

"Barrow Hills" means that part of the Site which, for identification purposes only, is shown shaded in purple on the attached Plan;

(see continuation sheet 1 page 4)

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

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

Particulars as to commission allowance or discount (note 3)

Nil

Signed *Osborne Clarke*

Date *16.1.04*

On behalf of ~~{company}~~ [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. 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 CF4 3UZ.

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Particulars of a mortgage or charge (continued)

Continuation sheet No 1
to Forms Nos 395 and 410 (Scot)

Company number

226742

Please complete
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bold block lettering

Name of company

CGNU Life Assurance Limited (the "Chargor")

~~limited~~*

*Delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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Please do not write Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)
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"Adverse Planning Condition" means in relation to a Planning Permission granted or to be granted by the Planning Authority, any condition or requirement (whether under the Planning Permission or a related Planning Agreement), as determined in accordance with Clause 4.2(b) or (c) or Clause 4.3(a) or (b) of Part 3 (all reproduced below), which would make the implementation of the Planning Permission economically unviable in the prevailing market conditions for a Development of the type permitted or to be permitted by the Planning Permission;

"Business Day" means a day (other than a Saturday or Sunday) on which clearing banks are open for business in the City of London;

"Charged Property" means the whole or any part of Chertsey South (excluding the roadway shown coloured brown on the plan attached to the Mortgage - a copy of which is attached) from time to time mortgaged or charged to Precis (2187) pursuant to the Mortgage;

"Chertsey South" means the area comprised in

(a) that part of the Site which lies to the south of the M3 motorway; and

(b) if the Chargor exercises the Longcross option, Longcross Barracks but excluding Barrow Hills.

"CLEUD" means a certificate or certificates of lawfulness of existing use or development under section 191 of the TCPA 1990;

"Costs" means all costs, charges or expenses of whatsoever nature (including, without limitation, legal fees) including, without limitation, disbursements and any Value Added Tax to be charged on such costs, charges, expenses and disbursements incurred by Precis (2187) in the preservation, protection or enforcement of the Mortgage.

"Deed of Covenant" means a deed of covenant entered into between Precis (2187) and the Chargor by which the Chargor covenanted with Precis (2187) to perform certain obligations more particularly set out therein;

"Development" means the development of the whole or part of Chertsey South in accordance with a Secure Planning Permission;

"Disposal" means any conveyance, transfer, Long Lease, declaration of trust (under which a beneficial interest would arise corresponding to any legal or equitable interests arising under a conveyance, transfer, creation or assignment of a Long Lease) other than the Permitted Declaration of Trust;

"Fixtures" means all assets of whatsoever nature used at Chertsey South, apart from land and buildings, forming part of Chertsey South and deemed by law to be immovable property and part of Chertsey South other than tenant's fixtures.

"Insolvency Act" means the Insolvency Act 1986.

"Longcross Barracks" means the freehold land known as Longcross Barracks, Surrey which is registered with absolute title at HM Land Registry under title number SY713199.

"Longcross Option" means the option agreement in relation to Longcross Barracks dated 24 February 2003 and made between the Secretary of State and Precis (2187) as varied from time to time.

(see continuation sheet 2 page 4)
(ALZ/0856707/11135884)

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Rights

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Particulars of a mortgage or charge (continued)

Continuation sheet No 2
to Forms Nos 395 and 410 (Scot)

Company number

226742

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Name of company

CGNU Life Assurance Limited (the "Chargor")

limited*

*Delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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Please do not write in this margin Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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"LPA" means the Law of Property Act 1925.

"Market Value" means whenever the Site or a part thereof is to be valued in accordance with or for the purposes of this deed (whether in consequence of a Secure Planning Permission or in any other circumstances), an opinion of the estimated amount for which the sale of the freehold interest in the Site or such part thereof as is to be valued should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion and assuming that none of the Lease, the First Deed of Variation and this deed had been entered into and excluding any hope value attributable to the prospect of any future Secure Planning Permission;

"Net Developable Area" means the area expressed in acres of the whole or such part of Chertsey South for which a Secure Planning Permission is obtained for the Development for any use (including C3 Use) including Estate Roads, Estate Footpaths, Estate Cycleways, Estate Car Parks and Estate Amenities, but excluding Infrastructure Land;

"Occupational Leases" means all leasehold interests and other occupational rights whatsoever (including, without limitation, all licences and agreements for leases) in existence from time to time relating to the whole or any part of the Charged Property, the immediate reversion to which is vested in the Chargor.

"ODPM" means the Deputy Prime Minister or other minister or authority from time to time having the powers now conferred upon him by sections 77, 78 and 79 of the TCPA 1990;

"Outline Planning Permission" an outline planning permission as defined in section 92 of the TCPA 1990;

"Permitted Declaration of Trust" means a declaration by CGNU that it holds the Site on trust for itself and CNDCL in equal shares;

"Permitted Disposal" means a Disposal permitted by and made in accordance with the terms of Part 7 of the Schedule to the Deed of Covenant (Third Party Disposals) or any other disposition allowed under the terms of the Deed of Covenant.

"Planning Permission" means any Outline Planning Permission or any full or detailed planning permission for any Development of the Site or any part thereof granted by the Planning Authority or the ODPM including any planning permission granted under section 73 of the TCPA 1990 or deemed to have been granted under the Town and Country Planning (General Permitted Development) Order 1995 (SI No. 418) or under any development order made by the ODPM but excluding any planning permission granted for a limited period (as defined in section 72(2) of the TCPA 1990) not exceeding five years;

"Receiver" means any receiver appointed pursuant to the Mortgage.

"Relevant Jurisdiction" in respect of any person means the jurisdiction in which such person is incorporated or, if different, has its principal place of business.

"Review Period" means

(a) in the case of any decision by the ODPM on any reference under section 77 of the TCPA 1990 or any appeal under section 78 of the TCPA 1990, the period of six weeks from the date of his decision letter,

(b) in any other case, the period of three months from the date on which written notice of its decision is issued by the Planning Authority;

See continuation sheet 3 page 4

ALZ/0856707/ 1135692

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Particulars of a mortgage or charge (continued)

Continuation sheet No 3
to Forms Nos 395 and 410 (Scot)

Company number

226742

Please complete
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Name of company

CGNU Life Assurance Limited (the "Chargor")

~~limited~~

*Delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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"Review Proceedings" means all or any of the following (as the case may be) in relation to or consequent on an Application or a Planning Permission:

- (a) any application (other than by or on behalf of Precis (2187), CGNU, a Precis (2187) Associated Company or a CGNU Associated Company) for judicial review under Part 54 of the Civil Procedure Rules;
- (b) any application pursuant to section 288 of the TCPA 1990;
- (c) any appeal to a higher court following a judgment of a lower court in respect of any application referred to in paragraphs (a) and (b) of this definition;
- (d) any reconsideration by the Planning Authority or the ODPM on remission to it or him of any application referred to in paragraph (b) of this definition;
- (e) any reconsideration by the Planning Authority or ODPM on remission to it or him of an Application or Planning Permission which was the subject matter of an application for judicial review in accordance with paragraph (a) of this definition;

"Rights" means all the Chargor's rights, title and interest from time to time in any lease, licence or occupational right whatsoever in relation to the Charged Property together with the entire benefit of all the Chargor's rights, title and interest from time to time in any renewal of, replacement of or variation to any such lease, licence or occupational right (including, without limitation, all its rights, title and interest in any Occupational Lease, agreement for any Occupational Lease and any associated agreements which may be granted by the Chargor or any person deriving title from the Chargor) from time to time over or in respect of the whole or any part of the Charged Property.

"Satisfaction Date" means if no Certificate Review Proceedings have been commenced before 31 December 2003 in respect of the Runnymede CLEUD, the Surrey Heath CLEUD and the Compliance Determination, the Satisfaction Date shall be 9 January 2004.

"Secure Planning Permission" means any Planning Permission (free from any Adverse Planning Condition) the Review Period in respect of which has expired without the commencement of any Review Proceedings or any Review Proceedings in respect of which have been resolved leaving in place a Planning Permission;

"Secured Liabilities" means the last £5,000,000 to be paid by the Chargor as principal under and in accordance with the terms of clause 2.1(b) (the Second Instalment) (as reproduced below) and the sums of money to be paid by the Chargor under and in accordance with clause 4.6 ad 4.7 (Chertsey South Overage)(as reproduced below) adjusted by clause 5 of Part 2 of the Schedule to the Deed of Covenant (as reproduced below) and any interest payable thereon at the rates set out in and in accordance with clause 8 of Part 2 of the Schedule to Deed of Covenant (Interest) (as reproduced below) together with all Costs actually incurred and any sums which have become due and payable pursuant to the indemnity given in Clause 21.1(b) (iii) (as reproduced below).

"Site" means the land, buildings and facilities at Chertsey, Surrey the freehold of which is registered at HM Land Registry with title number SY703980.

"Test Track" means the test track at Chertsey South.

"TCPA" means the Town and Country Planning Act 1990.

"Variation Date" means November 2003.

See continuation sheet 4 page 4
ALZ/0856707/561304

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Particulars of a mortgage or charge (continued)

Continuation sheet No 4
to Forms Nos 395 and 410 (Scot)

Company number

226742

Please complete
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Name of company

CGNU Life Assurance Limited (the "Chargor")

~~limited~~

*Delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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Please do not write in this margin Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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Clause 2.1(b) (the Second Instalment)

- (b) the sum of £40,702,128 ("the Second Instalment") Provided that the last £5,000,000 comprised in the Second Instalment shall be payable only if, during the period of five Years commencing on the Satisfaction Date,
- (i) following an application by Precis (2187) to Runnymede Borough Council for the issue of a CLEUD in respect of the Test Track ("the **Test Track Certificate**"),
- (A) either Runnymede Borough Council issues the Test Track Certificate and either the Review Period in respect of the Test Track Certificate has expired without the commencement of Certificate Review Proceedings or any Certificate Review Proceedings in respect of the Test Track Certificate have been finally determined leaving in place the Test Track Certificate
- (B) or CGNU waives, by notice in writing to Precis (2187), the requirement for a Test Track Certificate ; or
- (ii) there is obtained a Secure Planning Permission ("Relevant SPP") which, whether on its own or when taken together with any earlier Secure Planning Permission or secure Planning Permissions ("Earlier SPP"), permits any Development at Certsey South and the Market Value of Chertsey South (other than Barrow Hills and, if CGNU exercises the Longcross Option, Longcross Barracks) determined in accordance with Clause 7 as at the date of the Relevant SPP and with the benefit of the Relevant SPP and of any Earlier SPP is in excess of £15,000,000.

Clause 4.5 of Part 2

On the first occasion on which there is obtained an SPP which, whether on its own or when taken together with any earlier SPP or SPPs,

- (a) permits the Development for a C3 Use of any area of Chertsey South ("**First C3 Area**") and the Net Developable Area comprised in the First C3 Area (whether alone or when aggregated with the Net Developable Area comprised in the First Other Area) exceeds 8.1 or (if CGNU exercises the Longcross Option) 13.1 acres, CGNU shall pay to Precis (2187) by way of overage the greater of
- (i) the amount equal to 70% of the Market Value of the First C3 Area determined as at the date of the grant of the SPP which permits such Development and
- (ii) the amount found by applying the formula
- $$03 = A \times £500,000$$
- where 03 represents that amount and
- A represents the number of acres comprised wholly or in part in the Net Developable Area comprised in the First C3 Area (excluding any Net Developable Area attributable to Social Housing),
- which amount ("**First Underpin Overage (South)**") shall be adjusted for inflation such greater amount ("**First C3 Overage (South)**") to be adjusted in accordance with Clause 4.9 and to be paid on the date referred to in Clause 5.6 or
- (b) permits the development for a use or uses other than C3 Use of any area of Chertsey South ("**First Other Area**") and the Net Developable Area comprised in the First Other Area (whether alone or when aggregated with the Net Developable Area comprised in the First C3 Area) exceeds 8.1 or (if CGNU exercises the Longcross Option) 13.1 acres, CGNU shall pay to Precis (2187) by way of overage the amount equal to 70% of the Market Value of the First Other Area determined as at the date of the grant of the SPP which permits such Development such amount ("**First Other Overage (South)**") to be adjusted in accordance with Clause 4.9 and to be paid on the date referred to in Clause 5.6.

Clause 4.7 of Part 2

If and so often as, during the Chertsey South Overage Period, there is obtained a subsequent SPP which permits the Development for a C3 Use of the First C3 Area or the Development for a use or uses other than C3 Use of the First Other Area ("**Subsequent SPP**"), CGNU shall pay to Precis (2187) by way of overage the amount found by applying the formula

$$04 = 7/10 (MV2 - MV1)$$

See continuation sheet 5 page 4 ALZ/0856707/531306

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Particulars of a mortgage or charge (continued)

Continuation sheet No 5
to Forms Nos 395 and 410 (Scot)

Company number

226742

Please complete
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Name of company

CGNU Life Assurance Limited (the "Chargor")

~~limited~~

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Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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Please do not write in this margin Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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

where

O4 represents that amount;

MV2 represents the Market Value of Chertsey South, as at the date of the grant of the Subsequent SPP with the benefit of the Subsequent SPP and of any earlier SPP or SPPs (including the SPP referred to in Clause 4.6) and

MV1 represents the Market Value of Chertsey South, determined in accordance with Clause 7 as at the date of the grant of the Subsequent SPP with the benefit of any earlier SPP or SPPs (including the SPP referred to in Clause 4.6) but on the assumption that the Subsequent SPP had not been obtained, such amount ("Additional Overage (South)") to be adjusted in accordance with Clause 4.9 and to be paid on the date referred to in Clause 5.6.

Clause 4.9 Part 2

For the purposes of Clauses 4.6(a), 4.6(b) and 4.7, any First C3 Overage (South), First Other Overage (South) or Additional Overage (South) shall be reduced by the proportion which the first 8.1 or (if CGNU exercises the Longcross Option) 13.1 acres of Net Developable Area bears to the total Net Developable Area comprised in the First C3 Area or the First Other Area.

Clause 5 of Part 2

5.1 All Band C Overage, shall be adjusted for inflation by applying the formula

$$O1 = O0 \times \frac{(x1 + x2 + x3)}{(y1 + y2 + y3)}$$

where

O1 represents the Band C Overage after it has been adjusted for inflation;

O0 represents the Band C Overage before it has been adjusted for inflation;

x1, x2 and x3 are the IPD Index Figures respectively for the three consecutive Months the last of which is the Month immediately prior to the Month in which Band C Overage is due to be paid in accordance with Clause 5.4;

y1, y2 and y3 are the IPD Index Figures respectively for the three consecutive Months the last of which is the Month in which the variation date falls and

(x1 + x2 + x3) shall be equal to or greater than 1.

$$(y1 + y2 + y3)$$

5.2 All First Underpin Overage (South) and Subsequent Underpin Overage (South) (in either case "Relevant Residential Overage") shall be adjusted for inflation by applying the formula

$$O1 = O0 \times \frac{x}{y}$$

where

O1 represents the Relevant Residential Overage after it has been adjusted for inflation;

O0 represents the Relevant Residential Overage before it has been adjusted for inflation;

x represents the Nationwide Index Figure for the Quarter immediately prior to the Quarter in which Relevant Residential Overage is due to be paid in accordance with Clause 5.6;

y represents the Nationwide Index Figure for the Quarter in which the Variation Date falls and

x/y shall be equal to or greater than 1.

See continuation sheet 6 page 4

ALZ/0856707/561310

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Particulars of a mortgage or charge (continued)

Continuation sheet No 6
to Forms Nos 395 and 410 (Scot)

Company number

226742

Please complete
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Name of company

CGNU Life Assurance Limited (the "Chargor")

~~Limited~~

*Delete if
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Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Please do not write in this margin

Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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

Amount due or owing on the mortgage or charge (continued)

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Please do not write in this margin Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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

- 5.3 Subject to Clause 5.7, any
- (a) Band A Overage shall be paid on the latest of
 - (i) the Release Date;
 - (ii) within ten Business Days after the date on which the Secure Planning Permission to which it relates has been obtained and
 - (iii) the Second Instalment Date ("Band A Payment Date");
 - (b) Band B Overage shall be paid on the later of
 - (i) the first anniversary of the Band A Payment Date and
 - (ii) within ten Business Days after the date on which the Secure Planning Permission to which it relates has been obtained and ("Band B Payment Date").
- 5.4 Subject to Clause 5.7, any Band C Overage which is payable in consequence of an SPP obtained
- (a) before the fourth anniversary of the Release Date, shall be paid in equal shares on the fourth and on the fifth anniversary of the Release Date or
 - (b) on or after the fourth anniversary of the Release Date, shall be paid on the first anniversary of the date on which the SPP was granted;
- 5.5 Subject to Clause 5.7, any First Other Overage (North), Second Other Overage (North) or Subsequent Overage (North) shall be paid on the first anniversary of the date on which the SPP to which it relates has been granted.
- 5.6 Any First C3 Overage (South), Subsequent C3 Overage South, First Other Overage (South), Subsequent Other Overage (South) or Additional Overage (South) shall be paid on or before the first anniversary of the date on which the SPP to which it relates has been granted.
- 5.7 If the Restrictive Covenant is discharged or modified so as to be free from Adverse Covenant Condition and to permit, if the necessary SPP were obtained, the Development for a B1 Use of buildings at the Micklem Land with a total Gross External Area in excess of 825,000 square feet ("Covenant Permitted Area") and an SPP is obtained which permits the Development of a Gross External Area (or consented area not expressed as a Gross External Area) at the Micklem Land in excess of the Covenant Permitted Area ("Planning Permitted Area"), the Overage Amount payable in respect of the SPP shall be paid
- (a) to the extent that it is attributable to the Covenant Permitted Area, as required by the relevant payment provisions in Clauses 5.3, 5.4 or 5.5 and
 - (b) to the extent that it is attributable to the area by which the Planning Permitted Area, within 10 Business Days after the commencement of the implementation of the Development of that area pursuant to the SPP.
- 5.8 Within 20 Business Days of the date of grant of a Planning Permission in relation to Chertsey South, CGNU shall submit to Precis (2187) a genuine pre-estimate of
- (a) the Overage Amount (if any) payable in consequence of such Planning Permission (assuming that it becomes a Secure Planning Permission) and
 - (b) the Market Value of the area to which the Planning Permission relates together with any necessary calculations.
- 5.9 In the event that the amount of any First C3 Overage (South), Subsequent C3 Overage (South), First Other Overage (South), Subsequent Other Overage (South) or Additional Overage (South) has not been agreed or determined in accordance with Clause 7 by the date on which such overage is due to be paid then:
- (a) CGNU shall pay to Precis (2187) on the relevant due date an amount equal to the pre-estimate submitted by CGNU to Precis (2187) pursuant to Clause 5.8 (the "On Account Payment").

See continuation sheet 7 page 4
ALZ/0856707/561313

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Particulars of a mortgage or charge (continued)

Continuation sheet No 7
to Forms Nos 395 and 410 (Scot)

Company number

226742

Please complete
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bold block lettering

Name of company

CGNU Life Assurance Limited (the "Chargor")

~~XXXXXX~~

*Delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

**Please complete
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- (b) If the amount of any such overage agreed or determined in accordance with Clause 7 shall
- (i) exceed the On Account Payment, the excess shall be paid by CGNU to Precis (2187) within ten Business Days of the date of such agreement or determination or
 - (ii) be less than the On Account Payment, the over payment shall be repaid by Precis (2187) to CGNU within ten Business Days of the date of agreement or determination.

Clause 8 of Part 2

- 8.1 If CGNU fails to pay in full any amount due to Precis (2187) under any of Clauses 2, 3 or 4 of this Part 2 or Clause 9 of Part 7 ("Outstanding Amount") within ten Business Days after the date on which it is due to paid to Precis (2187) ("Due Date"), CGNU shall be liable to Precis (2187), by way of liquidated damages, for an amount equal to interest on the Outstanding Amount (to the extent that it remains unpaid) at the rate of 3% above LIBOR for the period commencing on the Due Date and terminating on the date on which Precis (2187) receives payment in full of the Outstanding Amount ("the Interest Period"), such interest
- (a) to accrue on a daily basis,
 - (b) to be compounded on the first day of each calendar Year (if any) which falls wholly or in part in the Interest Period and
 - (c) to be paid to Precis (2187) together with the Outstanding Amount (or the last portion thereof).
- 8.2 The Parties acknowledge and agree that the amount specified in Clause 8.1 represents a genuine pre-estimate of the loss or damage likely to be sustained by Precis (2187) in the event that CGNU fails to pay to Precis (2187) in full within ten Business Days after the Due Date any Outstanding Amount.

Clause 4.2(b) of Part 3

The Parties shall, within ten Business Days after CGNU has so notified Precis (2187), enter into negotiations in good faith for the purpose of making a determination whether or not the Proposed Planning Condition amounts to an Adverse Planning Condition.

Clause 4.2(c) of Part 3

If the Parties are unable to make a determination in accordance with Sub-clause (b) within ten Business Days after the commencement of their negotiations, the determination shall be made by an Independent Consultant.

Clause 4.3(a) of Part 3

The Parties shall, within ten Business Days after CGNU has notified Precis (2187) of the Planning Permission in accordance with Clause 7.2(b), enter into negotiations in good faith for the purpose of making a determination whether or not the Actual Planning Condition amounts to an Adverse Planning Condition.

Clause 4.3(b) of Part 3

If the Parties are unable to make a determination in accordance with Sub-clause (a) within ten Business Days after the commencement of their negotiations, the determination shall be made by an Independent Consultant.

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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 LEGAL MORTGAGE DATED THE 9th JANUARY 2004 AND CREATED BY CGNU LIFE ASSURANCE LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO PRECIS (2187) LIMITED 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 17th JANUARY 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 20th JANUARY 2004.

Handwritten signature



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —