



CHFP041

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* Insert full name
of company

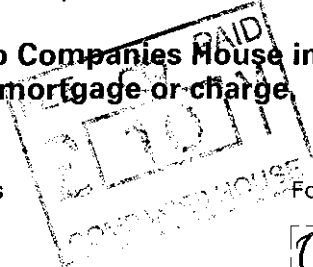
COMPANIES FORM No. 395

Particulars of a mortgage or charge

Pursuant to section 395 of the Companies Act 1985

395

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



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

For official use Company number

Name of company

006

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

07 The Chargor as trustee under the Permitted Declaration of Trust (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

Precis (2187) Limited (company number 4383398)

85 Buckingham Gate, London

Postcode

SW1E 6PD

Presentor's name, address and
reference (if any):
OSBORNE CLARKE
HILLGATE HOUSE
26 OLD BAILEY EC4M 7HW
DX LDE 466

ALZ/0856707/1127586/CAK

Time critical reference

For official use

Mortgage section

Post room



A12
COMPANIES HOUSE

AF45ERY1

0703
22/01/04

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 North (as defined below) and all Rights (as defined below).

Negative Pledge

The Chargor has covenanted with Precis (2187) 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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Particulars as to commission allowance or discount (note 3)

nil

Signed *Osborne Clarke*

Date *16.1.04*

On behalf of [company] [mortgagee/chargee]*

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

*Delete as appropriate

Notes.

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

"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 North from time to time mortgaged or charged to Precis (2187) pursuant to this Mortgage.

"Chertsey North" means that part of the Site which lies to the north of the M3 motorway and, for identification purposes only, is shown shaded in blue on Plan 1;

"Chertsey North Overage Period" means the period of time commencing on the Variation Date and terminating on the 15th anniversary of the Variation Date;

"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 North 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 North, apart from land and buildings, forming part of Chertsey North and deemed by law to be immovable property and part of Chertsey North other than tenant's fixtures.

"Gross External Area" means a gross external area measured in square feet but otherwise in accordance with the Code of Measuring Practice (Fifth Edition) dated November 2001 as issued (and, from time to time, amended or re-issued) by the Royal Institution of Chartered Surveyors;

"Independent Valuer" means a valuer who is a Fellow or Member of the Royal Institution of Chartered Surveyors of at least ten Years' standing and who is free from any actual or potential conflict of duty or interest with the Parties or either of them;

"Insolvency Act" means the Insolvency Act 1986.

See continuation sheet 2 page 4

ALZ/0856707/1128138

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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

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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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.

"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.

"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.

"Obligations" means any or all duties, covenants, obligations and liabilities which may at any time after the Commencement Date be due, owing or incurred from or by the Company to Precis under or in connection with the Deed of Covenant;

"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 Authority" means the relevant local planning authority.

"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;

See continuation sheet 3 page 4 ALZ/0856707/561649

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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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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

"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.

"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 Preciis (2187), CGNU, a Preciis (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;

"Release Date" means the earlier of:

- (a) the date 6 months from the date on which all the Obligations have been permanently and finally fulfilled, discharged or satisfied in full by the Company, the Guarantor or any other person and
- (b) the date on which the Company is released from the Obligations in accordance with Parts 6 and 7 of the Schedule to the Deed of Covenant.

"Restrictive Covenant" means the restrictive covenant contained in the conveyance of a part of Chertsey North dated 15 June 1940 and made between Wentworth Estates Limited(1) and Charles Micklem(2);

"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 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.

See continuation sheet 4 page 4

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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

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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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"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 sums of money to be paid by the Chargor as principal under and in accordance with the terms of clauses 2.1(a) (the Escrow Amount), (b) (the Second Instalment but not the last £5,000,000 referred to therein) and (c) (the Third Instalment) ((a) (b) and (c) being referred to collectively as the Initial Amount), clause 3 (the P & G Amount), clause 4.2(a)(i) (Band A Overage) and clause 4.2(a)(ii) (Band B Overage) and (in the event of any reduction in the Third Instalment pursuant to clause 4.4 or 4.5) any sums payable pursuant to clauses 4.4 (Second Other Overage North) and 4.5 Subsequent Overage North) but not exceeding in aggregate the amount of such reduction in the Third Instalment of Part 2 of the Schedule to the Deed of Covenant (Variation Price) 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) 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).

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

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

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

"Variation Date" means November 2003.

Clause 2.1(a) , (b) and (c) of Part 2

The Initial Amount shall comprise

- (a) the sum of £7,767,372 ("the Escrow Amount"),
- (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 Chertsey 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

See continuation sheet 5 page 4

ALZ/0856707/561655

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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

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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)

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)

and

- (c) subject to the proviso to Clause 4.4 and the second proviso to Clause 4.5, the sum of £7,500,000 ("the Third Instalment") Provided that
- (i) either, there is obtained during the Chertsey North Overage Period a Secure Planning Permission for the Development for a B1 Use of a Gross External Area at Chertsey North of not less than 825,000 square feet capable of implementation within the constraints imposed by the Restrictive Covenant ("Minimum Commercial SPP")
 - (ii) or, if on or before 31 December 2004 (or such later date as the Parties may agree) Precis (2187) or CGNU has applied to the Lands Tribunal for the discharge or modification of the Restrictive Covenant, either the Restrictive Covenant is discharged or, materially in the terms of Precis (2187)'s or CGNU's application, modified so as to be free from an Adverse Covenant Condition and to allow, if the necessary Planning Permission by that date has been or after that date is obtained, the Development for a B1 Use of buildings on the Micklem Land with a total Gross External Area of not less than 825,000 square feet.

Clause 3 of Part 2

If, on or before the later of the Release Date and the second anniversary of the Variation Date, Procter & Gamble enter into the P & G Agreement, CGNU shall pay to Precis (2187)

- 3.1 within ten Business Days after the later of the Satisfaction Date and the date on which the P & G Agreement is exchanged, the sum of £1,000,000;
- 3.2 within ten Business Days after the later of the Release Date and, if the completion of the P & G Agreement is subject to a condition or conditions precedent, the date on which the condition is or the conditions are fulfilled or waived, the sum of £2,000,000 and
- 3.3 on the second anniversary of the date on which the payment under Sub-clause 3.2 is due, the sum of £4,500,000.

Clause 4.2 (a) (i) and (ii) of Part 2

If and so often as, during the Chertsey North Overage Period, there is obtained a B1 Consent which, whether on its own or when taken together with an Earlier Consent, permits the Development of a B1 Area in excess of 825,000 sq ft, CGNU shall pay to Precis (2187) by way of overage

- (a) in respect of the B1 Area permitted by the B1 Consent or, where an Earlier Consent has been obtained, in respect of the Aggregate B1 Areas permitted by the B1 Consent and the Earlier Consent (in either case "Total B1 Area"),
 - (i) £60.00 for each square foot (or part thereof) of Total B1 Area from and including 825,000 square feet to and including 906,667 square feet ("Band A Overage");
 - (ii) £60.00 for each square foot (or part thereof) of Total B1 Area from and including 906,668 square feet to and including 1,002,500 square feet ("Band B Overage").

Clause 4.4 of Part 2

Unless there has been obtained a B1 Consent which falls under Clause 4.2, on the first occasion during the Chertsey North Overage Period on which

- (a) there is obtained a Mixed Consent or an Other Consent (in either case "Second Other Consent") and
- (b) the Market Value of Chertsey North determined in accordance with Clause 7 as at the date of the grant of the Second Other Consent ("Second Valuation Date") and with the benefit of the Second Other Consent ("Relevant MV") is in excess of £44,000,000 (or if, by the Second Valuation Date, the Third Instalment has not become payable in accordance with Clause 2.1(c), £36,500,000) ("MV Threshold"),

See continuation sheet 6 page 4

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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

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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 Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)
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CGNU shall pay to Precis (2187) by way of overage an amount equal to 60% of the amount by which the Relevant MV exceeds the MV Threshold ("Second Other Overage (North)"), such Second Other Overage (North) to be paid on the date referred to in Clause 5.5 Provided that if, after the Second Valuation Date, the Third Instalment becomes payable in accordance with Clause 2.1(c), the Third Instalment shall be reduced,

- (c) if the Second Other Overage (North) amounts to £4,500,000 or more, by £4,500,000 or
- (d) if the Second Other Overage (North) amounts to less than £4,500,000, by the amount of the Second Other Overage (North).

Clause 4.5 of Part 2

Provided that there has been obtained a Mixed Consent or an Other Consent in accordance with Clause 4.3 or Clause 4.4, if and so often as, at any time during the Chertsey North Overage Period, there is obtained a B1 Consent which, if there has been no Earlier Consent, on its own or, if there has been an Earlier Consent, when taken together with the Earlier Consent, permits the Development of a B1 Area of not more than 825,000 square feet, a Mixed Consent or an Other Consent (in any such case "Subsequent Consent"), CGNU shall pay to Precis (2187) by way of overage, the amount found by applying the formula $O2 = \frac{3}{5} (MV2 - MV1)$ where

O2 represents that amount;

MV2 represents the Market Value of Chertsey North, determined in accordance with Clause 7 as at the date of the grant of the Subsequent Consent ("Subsequent Valuation Date") with the benefit of the Subsequent Consent and of any earlier SPP or SPPs and

MV1 represents the greater of

- (i) the Market Value of Chertsey North, determined in accordance with Clause 7 as at the Subsequent Valuation Date with the benefit of any earlier SPP or SPPs but on the assumption that the Subsequent Consent had not been obtained ("Base Value") and
- (ii) the aggregate of £44,000,000 (or if, by the Subsequent Valuation Date, the Third Instalment has not become payable in accordance with Clause 2.1(c), £36,500,000) and any Overage Amounts paid or payable in respect of any earlier SPP or SPPs (except to the extent set off against the Third Instalment in accordance with the proviso to Clause 4.4 or the second proviso to this Clause 4.5) ("Underpin Value"),

such amount ("Subsequent Overage (North)") to be paid on the date referred to in Clause 5.5 Provided that

- (b) Precis (2187) may, within his absolute discretion, defer the determination of the Market Value of Chertsey North in consequence of a Subsequent Consent until a further Subsequent Consent has (or further Subsequent Consents have) been obtained and
- (c) Provided further that if, as at the Subsequent Valuation Date, the Underpin Value exceeds the Base Value and, after the Subsequent Valuation Date, the Third Instalment becomes payable in accordance with Clause 2.1(c), the Third Instalment shall be reduced,

- (i) if the Subsequent Overage (North) amounts to £4,500,000 or more, by £4,500,000 or
- (ii) if the Subsequent Overage (North) amounts to less than £4,500,000, by the amount of the Subsequent Overage (North),

but so that, where two or more Subsequent Overages (North) become payable under this Clause 4.5, the reductions from the Third Instalment under this proviso shall not, in aggregate, exceed £4,500,000.

See continuation sheet 7 page 4

ALZ/0856707/561655

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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

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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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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

Clause 5.3 of Part 2

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").

Clause 5.4 of Part 2

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.

Clause 5.5 of Part 2

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.

Clause 5.7 of Part 2

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 exceeds the Covenant Permitted Area, within 10 Business Days after the commencement of the implementation of the Development of that area pursuant to the SPP.

Clause 7 of Part 2

Subject to the provisions of this Clause 7, the Market Value of any area to be valued for the purposes of Clause 4 ("Relevant MV") shall be determined

- (a) by agreement reached between the Parties in negotiations in good faith, such negotiations to be held within 20 Business Days after the date on which the relevant Secure Planning Permission is obtained or
- (b) if the Parties are unable to agree the Relevant MV in accordance with Sub-clause (a), by an Independent Valuer.

7.2 The Independent Valuer shall act as an expert and not as an arbitrator.

7.3 The Parties shall afford the Independent Valuer every reasonable assistance in making the decision referred to him and shall give him or procure that he is given, at his request, reasonable access to the Site.

See continuation sheet 8 page 4 ALZ/0856707/561666

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Particulars of a mortgage or charge (continued)

Continuation sheet No 8
to Forms Nos 395 and 410 (Scot)

Company number

226742

Please complete
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in black type, or
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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in black type, or
bold block
lettering.

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

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legibly, preferably in
black type, or bold
block lettering

- 7.4 The Independent Valuer shall have the same powers to require any Party to produce any documents or information to him and the other Party as an arbitrator.
- 7.5 The Independent Valuer shall be required to give written reasons for his decision.
- 7.6 Unless the Parties agree otherwise or either Party requires the determination of the Relevant MV to be treated as a Value Dispute in accordance with Clauses 1, 2.1 and 3 of Part 4, the Parties shall be bound to act upon and to implement and comply with any decision of the Independent Valuer.
- 7.7 The fees of the Independent Valuer shall be borne by the Parties in such proportions as the Independent Valuer may determine having regard (among other things) to the conduct of the Parties and, in the absence of such determination, in equal shares.
- 7.8 The Independent Valuer shall have power to assess and fix such costs payable by a Party to another Party as may be fair and reasonable in all the circumstances, and the Parties shall be bound by and shall comply with any such determination of costs by the Independent Valuer

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 be 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.

ALZ/0856707/561668

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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 22nd JANUARY 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 26th JANUARY 2004.

P. Angela



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES