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\*insert full name  
of company

## COMPANIES FORM No. 395

### Particulars of a mortgage or charge

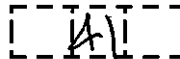
# 395

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number



1971312

Name of company

\* CANARY WHARF LIMITED (the "Chargor")

Date of creation of the charge

19th August, 1996

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

Legal charge dated 19th August, 1996 between the Chargor and the Bank  
(the "Developer Charge")

Amount secured by the mortgage or charge

Please see continuation sheet 1.

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

Bayerische Hypotheken-Und Wechsel-Bank Aktiengesellschaft, London Branch  
(the "Bank")

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

Allen & Overy  
One New Change  
London

MON/JPF/RTM/B1:69513

Time critical reference

For official use  
Mortgage Section

Post room



Please see continuation sheet 2.

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Particulars as to commission allowance or discount (note 3)

Nil

Signed Allen & Overy

Date 29/8/96

On behalf of ~~[company]~~ [mortgagee/chargee] <sup>†</sup>

<sup>†</sup> delete as  
appropriate

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

**AMOUNT SECURED BY THE MORTGAGE OR CHARGE (continued)**

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to the Bank under any Finance Document. The term "Finance Document" includes all amendments and supplements (the "**Secured Liabilities**")

**"Bankers Trustee"** means Bankers Trustee Company Limited.

**"Borrower"** means Langer Limited (Registered in England and Wales No. 3230310).

**"CNA Lenders"** means Continental, Republic National Bank of New York (Guernsey) Limited and Republic New York Corporation.

**"Continental"** means Continental Casualty Company.

**"Credit Agreement"** means the £35,000,000 credit agreement dated 16th August, 1996 between the Borrower, the Guarantor, the Chargor, CWCL and the Bank.

**"CWCL"** means Canary Wharf Contractors Limited (Registered No. 2352250).

**"CWCL Charge"** means the legal charge dated 19th August, 1996 executed by CWCL in favour of the Bank.

**"Debenture"** means the debenture dated 19th August, 1996 executed by the Borrower in favour of the Bank.

**"EIB"** means European Investment Bank.

**"Finance Document"** means:

- (a) the Credit Agreement;
- (b) a Security Document;
- (c) the Subordination Deed; or
- (d) any other document designated as such by the Bank and the Borrower.

**"Guarantor"** means Canary Wharf Holdings Limited (Registered in England and Wales No. 2798284).

**"Intercreditor Deed"** means the intercreditor deed dated 19th August, 1996 entered into by the Borrower, the Guarantor, CWCL, the Chargor, the Bank, EIB, Bankers Trustee, Continental and the CNA Lenders.

**"Obligor"** means the Borrower, the Guarantor or the Chargor and/or CWCL.

**"Security Document"** means:

- (a) the Debenture;
- (b) the Developer Charge;
- (c) the CWCL Charge;
- (d) the Intercreditor Deed; or
- (e) any other document designated as such by the Bank and the Borrower.

**"Subordination Deed"** means a subordination deed dated 19th August, 1996 between each Obligor and the Bank.

**SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED  
(continued)**

- (a) By way of a first legal mortgage:-
  - (i) all the legal and beneficial interests of the Chargor in the Property; and
  - (ii) all Shares held by the Chargor and/or any nominee on its behalf and all Related Rights;
- (b) By way of first fixed charge:-
  - (i) all plant and machinery relating to the Property and owned by the Chargor and its interest in any plant or machinery forming part of any building erected on the Property;
  - (ii) (to the extent of the interest of the Chargor) all monies standing to the credit of the Security Accounts and the debts represented by them;
  - (iii) subject to the provisions of the RDA Purchase Agreement and the rights of RDA and RDA Inc. under that agreement, all benefits in respect of the Insurances and all claims and returns of premiums in respect of them;
  - (iv) the benefit of all licences, consents and authorisations (statutory or otherwise) held in connection with the use of any Security Asset specified in any other paragraph in Clause 2 (Fixed Security) of the Developer Charge and the right to recover and receive all compensation which may be payable to it in respect of them;
  - (v) (to the extent they are not the subject of a mortgage under sub-paragraph (a)(ii) above) the Chargor's interest in all the Shares and all the Related Rights; and
  - (vi) all other interests of whatever nature of the Chargor (including rights under any contractual arrangements or warranties entered into or provided in connection with the construction of any building or Fixture on the Property) relating to the Property and the Borrower.

The Chargor, as security for the payment of all the Secured Liabilities, assigns absolutely to the Bank by way of security:-

- (a) all its rights under each Development Document to which it is a party;
- (b) all its rights under the RDA Purchase Agreement;
- (c) all its rights under the Borrower Purchase Agreement; and
- (d) all its rights under the Lease Documents.

**"Architect"** means Koetter Kim & Associates (UK) Limited or such other firm or company of architects a may be appointed by the Chargor or CWCL with the approval of the Bank (such approval not to be unreasonably delayed or withheld).

**"Borrower Licence"** means the licence dated 20th August, 1996 between Investments, the Chargor and the Borrower relating to the Headlease.

**"Borrower Purchase Agreement"** means the sale and purchase agreement entered into or to be entered into between the Chargor as vendor and the Borrower as purchaser subject to and with the benefit of the RDA Purchase Agreement.

**"Collateral Warranty"** means each collateral warranty granted or to be granted by a Warranty Contractor or a Warranty Professional in favour of the Bank.

**"Contractors"** means the trade contractors details of which are listed in Part I of Schedule 11 to the Credit Agreement or such other firms or companies of trade contractors as may be appointed by the Chargor and/or CWCL with the approval of the Bank (such approval not to be unreasonably withheld or delayed) and **"Contractor"** shall be construed accordingly.

**"Development"** means the completion of the construction of the building on the Property in accordance with the RDA Purchase Agreement.

**"Development Document"** means:-

- (a) a Trade Contract;
- (b) a Professional Appointment;
- (c) a Collateral Warranty; or
- (d) any other document designated as such by the Bank and the Borrower.

**"Engineer"** means Cossentini Associates Inc or such other firm or company of engineers appointed by the Chargor or CWCL with the approval of the Bank (such approval not to be unreasonably delayed or withheld).

**"Fixtures"** means all fixtures and fittings (including trade fixtures and fittings but excluding all tenants' trade fixtures and fittings) and fixed plant and machinery on the Property.

**"Headlease"** mean the lease of the Property dated 16th February, 1996 between Investments, the Chargor, Management and Phase I.

**"Insurances"** means all contracts and policies of insurance taken out by or on behalf of the Chargor or (to the extent of its interest) in which the Chargor has an interest, in each case insofar as that insurance relates to the Development or the Property.

**"Investments"** means Canary Wharf Investments Limited (Registered No. 2127410).

**"Lease Document"** means:

- (a) the Headlease;

- (b) the RDA Licence; or
- (c) the Borrower Licence.

**"Management"** means Canary Wharf Management Limited (Registered No. 2067510).

**"Phase I"** means CW Investments (Phase I) Limited (Registered Number. 2067510).

**"Professionals"** means the Architect, the Engineer and any other consultants with a design responsibility in respect of the Development appointed by the Chargor and/or CWCL or such other consultants with like responsibilities as may be appointed by the Chargor and/or CWCL with the approval of the Bank (such approval not to be unreasonably withheld or delayed).

**"Professional Appointment"** means an agreement for the appointment by the Chargor or CWCL of a Professional.

**"Property"** means the leasehold property known as 11 Westferry Circus/5 West India Avenue, Canary Wharf, London E14 as more particularly described in and demised by a lease dated 16th February, 1996 between Investments, the Chargor, Management and Phase I currently being registered at H.M. Land Registry under title number EGL 345037.

**"RDA"** means The Reader's Digest Association Limited (Registered No. 340452).

**"RDA Inc."** means The Reader's Digest Association Inc. (incorporated in the State of New York, U.S.A.).

**"RDA Licence"** means the licence dated 16th February, 1996 between Investments, the Chargor and RDA relating to the Headlease.

**"RDA Purchase Agreement"** means the sale and purchase agreement dated 16th February, 1996 between the Chargor, RDA, RDA Inc. and the Guarantor relating to the sale of the Property.

**"Related Rights"** means any dividend or interest paid or payable in relation to any Share and any rights, money or property accruing or offered at any time in relation to any Share by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.

**"Security Account"** means an account established under Clause 11 (Bank accounts of the Borrower) of the Credit Agreement.

**"Security Assets"** means all assets of the Chargor the subject of any security created by the Developer Charge.

**"Security Interests"** means any mortgage, pledge, lien, charge, assignment by way of security, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security.

**"Shares"** means the one £1 ordinary share in the Borrower.

**"Trade Contracts"** means any trade contracts in respect of the Development entered into or to be entered into after the date of the Credit Agreement between the Chargor and/or CWCL and a Contractor.

**"Warranty Contractors"** means those Contractors who will provide a Collateral Warranty to the Bank which are listed in Schedule 11 to the Credit Agreement or any other Contractor designated as such by the Bank and requested to provide a Collateral Warranty to the Bank in accordance with Clause 19.6(d) (Development Manager, Contractor and Professionals) of the Credit Agreement.

**"Warranty Professionals"** means those Professionals who will provide a Collateral Warranty to the Bank which are listed in Schedule 11 to the Credit Agreement or any other Professional designated as such by the Bank and requested to provide a Collateral Warranty to the Bank in accordance with Clause 19.6(d) (Development Manager, Contractor and Professionals) of the Credit Agreement.

The charges, mortgages and assignments granted by the Chargor under the Developer Charge are given with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

A reference to a person includes its successors and assigns.

A reference to a Finance Document or another document is a reference to that Finance Document or other document as amended, novated or supplemented.

A reference to a charge or mortgage of any freehold or leasehold property includes:-

- (a) all buildings and Fixtures on that property;
- (b) the proceeds of sale of any part of that property; and
- (c) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

**NB:** The Chargor shall not, except as permitted under the Credit Agreement,:-

- (a) create or permit to subsist any Security Interest on any Security Asset other than any Security Interest created by the Developer Charge; or
- (b) sell, transfer, grant, lease or otherwise dispose of any Security Asset or permit the same to occur.

**"Security Interest"** means any mortgage, pledge, lien, charge, assignment by way of security, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security. 11c



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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. 01971312

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A LEGAL CHARGE DATED THE 19th AUGUST 1996 AND CREATED BY CANARY WHARF LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM EACH OBLIGOR (AS DEFINED) TO BAYERISCHE HYPOTHEKEN-UND WECHSEL - BANK AKTIENGESELLSCHAFT, LONDON BRANCH UNDER ANY FINANCE DOCUMENT (AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 29th AUGUST 1996.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 3rd SEPTEMBER 1996.

A handwritten signature in black ink, reading "Peter C. Protheroe".

for the Registrar of Companies

DJS  
3-9



C O M P A N I E S H O U S E

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