

-ease do not  
rite in  
s margin

**ease complete  
-gibly, preferably  
black type, or  
old block lettering**

Insert full name  
of company

Company number

6

2114695

\* CLIFFORDS INN LIMITED (the "Borrower")

25th January 1996

Deed of Assignment of Cap Agreement dated 25th January 1996 entered into between the Borrower and the Bank (the "Assignment").

All monies, obligations and liabilities whether actual or contingent now or at any time hereafter due owing or incurred to the Bank by the Borrower (whether alone or jointly and in whatever style, name or form and whether as principal or surety) under or pursuant to the Finance Documents, including, without limitation, the Assignment. (the "Secured Obligations")

4

E. J. The Co

## T. The Finance Documents

DEUTSCHE HYPOTHEKENBANK FRANKFURT AG, TAUNUSANLAGE 9, 60329 FRANKFURT AM  
MAIN, POSTFACH 16 02 65, GERMANY (the "Bank").

Post room

Time critical reference

*(continued)*

A27 \*ADPL2I05\* 367  
COMPANIES HOUSE 01/02/96

Short particulars of all the property mortgaged or charged

By way of assignment all the Borrower's rights, title, interest and benefit in the Cap Agreement including, without limitation, all receivables and receipts thereunder (the "Assigned Rights").

The Borrower covenants in the Assignment:

1. not, without the Bank's prior written consent, vary, amend or terminate any of the terms or conditions of the Cap Agreement or consent or agree to any waiver or release of any of the counterparty's obligations thereunder or make or agree to any claim that the Cap Agreement is frustrated in whole or in part;
2. not to do or cause or permit to be done anything which may depreciate, jeopardise or otherwise prejudice the Assigned Rights or part thereof;
3. not to make any other assignment or transfer or agree to make any such assignment or transfer in respect of the Assigned Rights or part thereof;

Please do not  
write in  
this margin

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

Particulars as to commission allowance or discount (note 3)

Nil

Signed Lawrence Cohen Date 31<sup>st</sup> January 1996

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

† delete as  
appropriate

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

COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)

**Particulars of a mortgage or charge  
(continued)**

Please do not  
write in this  
binding margin

Continuation sheet No \_\_\_\_\_  
to Form No 395 and 410 (Scot)

CHA 116

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

Company Number

2114695

Name of Company

CLIFFORDS INN LIMITED (the "Borrower")

Limited\*

\* delete if  
inappropriate

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

Please do not  
write in this  
binding margin

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

Please do not  
write in this  
binding 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

--

The Borrower's covenants continued:

4. not to create, grant, extend or permit to subsist any Security Interest on, over, or with respect to, the whole or any part of the Assigned Rights other than the Security Interests created by the Finance Documents.

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

#### Definitions

"Cap Agreement" means an amended amortising interest rate cap (ref:IRG06958) entered into on 19th January 1996 (being the Trade Date) by the Borrower and the National Westminster Bank Plc and confirmed by letter to the Borrower from NatWest Capital Markets Limited dated 22nd January 1996.

"Company" means CLS Holdings Plc, Registered number 2714781;

"Finance Documents" means all or any of the following:-

- (a) the Loan Agreement dated 22.01.96 between Borrower(1) and Bank(2);
- (b) the Deed of Subordination dated 25.01.96 between Company(1), Borrower(2) and Bank(3);
- (c) the Debenture dated 25.01.96 between Borrower(1) and Bank(2);
- (d) the Assignment of Rents dated 25.01.96 between Borrower(1) and Bank(2);
- (e) this Assignment of Cap Agreement;
- (f) the Charge over the Accounts dated 25.01.96 between Borrower(1) and Bank(2);
- (g) the Charge over Shares dated 25.01.96 between Company(1) and Bank(2);
- (h) the duty of care letter from the Managing Agents dated 25.01.96; and
- (i) any other documents designated in writing as such by the Bank and the Borrower.

"Security Interests" means any deposit by way of security, mortgage, standard security (in Scotland), charge (whether fixed or floating), pledge, lien (otherwise than by operation of law), encumbrance, assignation (in Scotland), hypothecation, security interest, title retention or other security arrangement of any kind.

FILE COPY



## CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 02114695

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEED OF ASSIGNMENT DATED THE 25th JANUARY 1996 AND CREATED BY CLIFFORDS INN LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO DEUTSCHE HYPOTHEKENBANK FRANKFURT AG UNDER THE TERMS OF THE FINANCE DOCUMENTS WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 1st FEBRUARY 1996.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 6th FEBRUARY 1996.

A handwritten signature in cursive script, reading "Fiona M. Sangster".

FIONA M. SANGSTER  
for the Registrar of Companies



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

HC026B