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CHFP025

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

*insert full name
of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

A fee of £13 is payable to Companies House in respect
of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

2111

02190427

Name of company

* Northern Rock Holdings (No 2) Limited (the "**Chargor**")

Date of creation of the charge

28 August 2008

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

The Debenture dated 28 August 2008 (The "**Debenture**") granted by the Chargor in favour of the Governor and Company of the Bank of England as security trustee for the Secured Parties (the "**Security Trustee**")

Amount secured by the mortgage or charge

All obligations which the Chargor may at any time have to the Security Trustee (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties under or pursuant to the Finance Documents (including, without limitation, the Debenture and any Mortgage), including any liability in respect of any further advances made under the Finance Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or as surety or in some other capacity) (the "**Secured Obligations**").

All capitalised terms used in this Form 395 shall have the meaning given to them in Schedule 2 unless defined in this Form 395

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

The Governor and Company of the Bank of England,
Threadneedle Street, London as Security Trustee

Postcode EC2R 8AH

Presentor's name address and
reference (if any)

Clifford Chance LLP
10 Upper Bank Street
London
E14 5JJ

Via CH London Counter

Time critical reference

906172/70-40328461/LYC

For official Use (06/2005)

Mortgage Section

Post room

WEDNESDAY



LI64O304

LD3

10/09/2008

58

COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

For short particulars of all the property charged please see Schedule 1 attached to this Form 395.

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)

None

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

Signed Clifford chance LLP

Date 10 September 2008

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

SCHEDULE 1

SHORT PARTICULARS OF THE PROPERTY MORTGAGED OR CHARGED.

1 FIXED CHARGES, ASSIGNMENTS AND FLOATING CHARGE

1.1 Fixed Charges

- 1.1.1 The Chargor has charged with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Chargor at the date of the Debenture shall be a charge by way of legal mortgage) all of the Chargor's right, title and interest from time to time in and to (subject to obtaining any necessary consent to such mortgage or fixed charge from any third party) the Real Property
- 1.1.2 The Chargor has charged with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge all of the Chargor's right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) the Tangible Moveable Property
- 1.1.3 The Chargor has charged with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge all of the Chargor's right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) the Accounts
- 1.1.4 The Chargor has charged with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge all of the Chargor's right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) the Intellectual Property
- 1.1.5 The Chargor has charged with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge all of the Chargor's right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) the Information Technology.
- 1.1.6 The Chargor has charged with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge all of the Chargor's right, title and interest from time to time in and to (subject to obtaining any

necessary consent to such fixed charge from any third party) any goodwill and rights in relation to the uncalled capital of the Chargor.

- 1 1 7 The Chargor has charged with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge all of the Chargor's right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) the Investments.
- 1 1 8 The Chargor has charged with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge all of the Chargor's right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) Shares, all dividends, interest and other monies payable in respect of Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise).
- 1 1 9 The Chargor has charged with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge all of the Chargor's right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) all Monetary Claims and all Related Rights other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to the Debenture

1 2 Assignments

Subject to the 10 December Debenture, the Chargor has assigned and agreed to assign absolutely with full title guarantee to the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations all of its right, title and interest from time to time in and to each of the following assets (subject to obtaining any necessary consent to that assignment from any third party)

- 1 2 1 the proceeds of any Insurance Policy and all Related Rights,
- 1 2 2 all rights and claims in relation to any Assigned Account, and
- 1 2 3 Specific Contracts,

including, without limitation

- (a) all of its rights to receive payment of any amounts which may become payable to it pursuant to or with respect to such Assigned Contractual Rights,
- (b) all moneys received by it pursuant to or with respect to such Assigned Contractual Rights,

- (c) all its rights to give notices and/or make demands pursuant to such Assigned Contractual Rights and/or to take the steps which are required to cause payments to become due and payable thereunder or with respect to such Assigned Contractual Rights,
- (d) all of its rights of action in respect of any breach of or default in respect of such Assigned Contractual Rights, and
- (e) all of its rights to receive damages, compensation or obtain other relief, including in respect of any breach of or default in respect of such Assigned Contractual Rights,

in each case subject to the provisions of Clause 22 (*Release of Security*) of the Debenture.

1.3 Sub-Charges

Without prejudice to the Security listed in 1.1 (*Fixed Charges*) and 1.2 (*Assignments*) above and to the extent that no security created thereby is (if the Security Trustee were so to require) capable of registration at the Land Registry of England and Wales or at the Registry of Deeds of Northern Ireland (as the case may be) as a sub-charge, the Chargor, in exercise of the power conferred by section 23(2)(b) of the Land Registration Act 2002, by way of security for the payment or discharge of those Secured Obligations comprising an obligation or liability to pay money hereby charges at law in favour of the Security Trustee all indebtedness secured by each registered charge of which it is registered as proprietor at the Land Registry of England and Wales or at the Registry of Deeds of Northern Ireland (as the case may be)

2 FLOATING CHARGE

The Chargor with full title guarantee has charged in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations by way of first floating charge all present and future assets and undertakings of the Chargor

The Debenture provides that the floating charge created by the Debenture shall be deferred in point of priority to all fixed Security validly and effectively created by the Chargor under the Finance Documents in favour of the Security Trustee as trustee for the Secured Parties as security for the Secured Obligations

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by the Debenture

If any third party consent is necessary to enable an asset of the Chargor to be subject to an effective floating charge, that asset shall only become subject to the floating charge upon obtaining such third party consent

3 FURTHER ASSURANCE

The Debenture contains covenants for further assurance

4 NEGATIVE PLEDGE

Under the terms of the Loan Agreement and Debenture, the Chargor has undertaken that it shall not, at any time during the subsistence of the Debenture or any Mortgage, create or permit to subsist any Security over all or any part of the Chargor's Charged Property other than Security permitted pursuant to the Loan Agreement.

5 NO DISPOSAL

The Debenture and Loan Agreement contain covenants not to dispose of the Charged Property except as permitted pursuant to the Loan Agreement or clause 7 (*Negative Pledge and Disposals*) of the Debenture

See Schedule 2 for definitions

SCHEDULE 2

DEFINITIONS

"9 October Debenture" means the debenture dated 9 October 2007 and as amended on 1 May 2008 between the Company and the Security Trustee pursuant to which the Company created fixed and floating security over its assets in favour of the Security Trustee

"10 December Debenture" means the debenture dated 10 December 2007 and as amended on 1 May 2008 between the Guarantors and the Security Trustee pursuant to which each Guarantor created fixed and floating security over its assets in favour of the Security Trustee,

"28 August Debenture" means the debenture dated 28 August 2008 between the Company and the Security Trustee pursuant to which the Company created fixed and floating security over its assets in favour of the Security Trustee

"Account" means any account opened or maintained by the Chargor with the Security Trustee, the Bank or any other person (and any replacement account or subdivision or subaccount of that account), the debt or debts represented thereby and all Related Rights

"Assigned Account" means any Account (and any renewal or redesignation of each such account) which the Security Trustee and the Chargor agree should be an "Assigned Account"

"Assigned Contractual Rights" means the right, title, interest and benefit of the Chargor under each Specific Contract to which the Chargor is a party or in respect of which it has the benefit

"Bank" means The Governor and Company of the Bank of England of Threadneedle Street, London EC2R 8AH

"Charged Property" means all the assets and undertaking of the Chargor which from time to time are the subject of the security created or expressed to be created in favour of the Security Trustee by or pursuant to the Debenture, including, without limitation, the Specific Contracts, the Assigned Accounts and any Mortgage

"Company" means Northern Rock plc, registered in England and Wales with company number 03273685.

"Deed of Charge" means the deed of charge dated 14 September 2007 and as amended on 19 November 2007 and 1 May 2008 between the Bank (in its capacity as the existing lender) and the Company and as novated and amended by or pursuant to the Novation and Amendment Deed

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Trustee

"Facility Agent" means the Bank in its capacity as facility agent

"Finance Documents" means collectively the Loan Agreement, the Deed of Charge, the Indemnity and Cost Recovery Deed, the 9 October Debenture, the 28 August Debenture, the Debenture, 10 December Debenture, the Guernsey Security Documents, the Mortgage Portfolio Letter, the Services Deed, the Novation and Amendment Deed and any other document or agreement entered into between the Lender and/or the Security Trustee and the Company in respect of any of the foregoing or referred to therein or the transactions contemplated hereby or thereby, and any other document designated as a 'Finance Document' by the Lender and/or the Facility Agent and the Company and 'Finance Document' means any one of them

"Fourth Effective Date" means 28 August 2008

"Group" means the Company and its Subsidiaries from time to time

"Guarantor" means a member of the Group which has acceded hereto as a guarantor pursuant to a Guarantor Accession Agreement

"Guarantor Accession Agreement" means a guarantor accession deed in form and substance acceptable to the Lender

"Guernsey Security Documents" means (i) the security interest agreement dated 11 February 2008 between the Company as chargor, the Security Trustee and David Johnson as nominee relating to the shares and related rights in Northern Rock Mortgage Indemnity Company Limited; (ii) the security interest agreement dated 14 February 2008 between the Company as chargor, the Security Trustee and BNTB Nominees (Guernsey) Limited as nominee relating to the shares and related rights in Northern Rock (Guernsey) Limited, (iii) the security interest agreement dated the Fourth Effective Date between the Company as chargor, the Lender, the Security Trustee and David Johnson as nominee relating to the shares and related rights in Northern Rock Mortgage Indemnity Company Limited and (iv) the security interest agreement dated the Fourth Effective Date between the Company as chargor, the Lender, the Security Trustee and BNTB Nominees (Guernsey) Limited as nominee relating to the shares and related rights in Northern Rock (Guernsey) Limited

"HMT" means the Commissioners of Her Majesty's Treasury

"Indemnity and Cost Recovery Deed" means the indemnity and costs recovery deed originally dated 9 October 2007 between the Bank, the Company and HMT as amended on 18 December 2007 and as amended by or pursuant to the Novation and Amendment Deed

"Information Technology" means the computer hardware, software, networks and/or other information technology and any technological asset of the Chargor

"Insurance Policy" means any policy of insurance (including life insurance or assurance) in which the Chargor may from time to time have an interest.

"Intellectual Property" means any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered of the Chargor, the benefit of all applications and rights to use such assets and all Related Rights

"Investments" means

- (a) any stocks, shares, debentures, securities and certificates of deposit (but not including Shares);
- (b) all interests in collective investment schemes, and
- (c) all warrants, options and other rights to subscribe or acquire any of the investments described in (a) and (b),

in each case whether held directly by or to the order of the Chargor or by any trustee, nominee, fiduciary or clearance system on its behalf and all Related Rights (including all rights against any such trustee, nominee, fiduciary or clearance system)

"Lender" means

- (a) HMT, or
- (b) any entity that becomes a lender pursuant to clause 30 (*Transfer by the Lender*) of the Loan Agreement after the Fourth Effective Date

"Loan Agreement" means the Sterling Loan Facility Agreement originally dated 14 September 2007 made between the Company and the Bank, as amended and restated on 9 October 2007, as further amended on 16 November 2007, 7 December 2007, 18 December 2007, 11 February 2008, 17 March 2008, 29 March 2008, 1 May 2008, and 20 June 2008 and as novated, amended and restated on the Fourth Effective Date and as may be further amended, varied, novated or supplemented from time to time

"Monetary Claims" means any book and other debts and monetary claims (other than Accounts) owing to the Chargor and any proceeds of such debts and claims (including, without limitation, any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment, any contract or agreement to which the Chargor is a party and any other assets, property, rights or undertaking of the Chargor)

"Mortgage" means a mortgage or legal charge in respect of all or any part of the Real Property in accordance with Clause 6 (*Further Assurance*) of the Debenture and substantially in the form of Schedule 6 (*Form of Legal Mortgage*) of the Debenture

"Mortgage Portfolio" means all of the Mortgage Loans (as defined in the Deed of Charge) which are from time to time subject to the Security under the Deed of Charge and all of the Underlying Mortgage Loans (as defined in the 28 August Debenture) which are from time to time subject to the Security under the 9 October Debenture and the 28 August Debenture

"Mortgage Portfolio Letter" means the letter agreed by the Bank and the Company dated 19 September 2007 and as re-issued pursuant to the Novation and Amendment Deed as the "Second Mortgage Portfolio Letter", inter alia, identifying the Mortgage Portfolio and containing the Company's representations, warranties and undertakings in relation to the Mortgage Portfolio, and including any further letter between the Lender and the Company expressed to be supplemental to the Mortgage Portfolio Letter.

"Novation and Amendment Deed" means the novation and amendment deed dated the Fourth Effective Date between the Bank in its capacities as the existing lender, Facility Agent and Security Trustee, HMT in its capacity as the new lender, the Company and each Guarantor and by or pursuant to which, among other things, the rights and obligations of the existing lender under the Finance Documents have been transferred to the new lender.

"Real Property" means.

- (c) any freehold, leasehold or immovable property of the Chargor, (including the freehold and leasehold property in England and Wales specified in Schedule 2 of the Debenture); and
- (d) any buildings, fixtures, fittings, fixed plant or machinery of the Chargor, from time to time situated on or forming part of such freehold or leasehold property (except tenant's or trade fixtures where the Real Property is let to a person outside the Group) of any Real Property,

and includes all Related Rights

"Receiver" means a receiver or receiver and manager or, where permitted by law, an administrative receiver of the whole or any part of the Charged Property and that term will include any appointee made under a joint and/or several appointment

"Related Rights" means, in relation to any asset

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

"Secured Parties" means the Security Trustee, any Receiver or Delegate, the Bank, the Facility Agent, the Lender and HMT

"Security" means any mortgage, sub-mortgage, security assignment, standard security, charge, sub-charge, pledge, lien, right of set-off or other security interest or encumbrance securing any obligation of any kind however created and arising and including anything analogous to any of the foregoing under the laws of any jurisdiction and any other agreement or arrangement having a similar effect.

"Services Deed" means the services deed originally dated 9 October 2007 between the Bank and the Company and as amended on 18 December 2007, 22 January 2008 and 11 February 2008 and as novated and amended by or pursuant to the Novation and Amendment Deed

"Shares" means all of the shares in any subsidiary of the Chargor held by, to the order or on behalf of the Chargor at any time

"Specific Contracts" means any contract which the Security Trustee and the Chargor agree from time to time should be a "Specific Contract"

"Subsidiary" means a subsidiary within the meaning of section 736 of the Companies Act 1985 and, in relation to financial statements of the Group, a subsidiary undertaking within the meaning of section 258 of the Companies Act 1985

"Tangible Moveable Property" means any plant, machinery, office equipment, computers, vehicles and other chattels (excluding any for the time being forming part of the Chargor's stock in trade or work in progress) and all Related Rights



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

**COMPANY NO. 2190427
CHARGE NO. 2**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEBENTURE DATED 28 AUGUST
2008 AND CREATED BY NORTHERN ROCK HOLDINGS (NO.2)
LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME
DUE FROM THE COMPANY TO THE GOVERNOR AND
COMPANY OF THE BANK OF ENGLAND AS SECURITY
TRUSTEE ON ANY ACCOUNT WHATSOEVER UNDER THE
TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING
OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT
TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE
10 SEPTEMBER 2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 12 SEPTEMBER
2008



Companies House
— for the record —

LCT



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES