

M

Please do not
write in
this margin

COMPANIES FORM No. 395

395**Particulars of a mortgage or charge**

Pursuant to section 395 of the Companies Act 1985

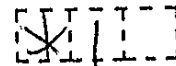
M4

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

*Insert full name
of company

To the Registrar of Companies

For official use Company number



2786587

Name of company

* South Fields Enterprises Limited ("the Chargor")

Date of creation of the charge

28th September 1993

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

Legal Charge ("the 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

Gamlestaden PLC ("the Lender")

7th Floor, Glen House

Stag Place, London

Postcode

SW1E 5AG

Presentor's name, address and
reference (if any):Rowe & Maw
20 Black Friars Lane
London EC4V 6HD

Our Ref: 351

For official use
Mortgage section**REGISTERED**

- 6 OCT 1993

Post room



Time critical reference

Short particulars of all the property mortgaged or charged

Please see continuation sheet 2.

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

David + Mary

Date 4/10/93

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 situated 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.

Page 2

OYEZ

The Solicitors' Law Stationery Society Ltd, Oyez House, 7 Spa Road, London SE16 3QQ

1985 Edition
192 F21702

5010503

Companies M395

South Fields Enterprises Limited

Company No. 2786587

Continuation Sheet No. 1: Amount secured by the mortgage or charge

[Note: The underlined terms and defined in paragraph 2 below or in paragraph 6 on the continuation sheet no. 2.]

1. Amount secured: Clause 2.2 of the charge and definition of "Secured Liabilities" in Clause 1.1

All moneys from time to time due or owing by the Borrower or the Chargor to the Lender and all other actual or contingent liabilities from time to time incurred by the Borrower or the Chargor to the Lender, including (without limitation) moneys due or owing under the Finance Documents or on any current or other account or in any other manner together in each case with proper interest, commission and bank fees and charges. Such interest shall be calculated to the date of payment (as well after as before any Demand or judgment) at the rates and upon the terms from time to time agreed with the Lender (or in the absence of agreement on a daily basis at the Interest Rate and to be compounded quarterly).

2. Definitions: Clause 1.1 of the Charge

In this Deed (including the Recitals), the following words and expressions shall have the following meanings:

"Borrower" means Leicester South Fields College Further Education Corporation

"Demand" means any demand made by the Lender pursuant to Clause 2.1 of the Charge

"Finance Documents" means all or any of the Loan Agreement, the Legal Charge, this security and any other document referred to or entered into in connection with the Loan Agreement

"Interest Rate" means 4% per annum above the base rate from time to time of Lloyds Bank plc

"Legal Charge" means the legal charge between (1) the Borrower and (2) the Lender and dated the 28th September 1993

"Loan Agreement" means the loan agreement made between (1) the Borrower and (2) the Lender dated the 28th September 1993

"this Security" means the Charge and the security created by, pursuant to or supplemental to it.

South Fields Enterprises Limited

Company No. 2786587

Continuation Sheet No. 2: Short particulars of all the property mortgaged or charged

[Note: The underlined terms are defined in paragraph 6 below or in paragraph 2 on continuation sheet no. 1.]

1. Charges: In Paragraph 1 and 2.1 of Schedule 1 to the Charge
 - (a) By way of first fixed legal mortgage all and any of its estate, rights and interest in Grafton Place to the Lender;
 - (b) by way of assignment of security the proceeds of any sale or other disposal of all or any part of the Security Assets and the present and future benefit of (including without limitation the right to receive rents and other moneys under) all present and future Derivative Leases and other agreements and documents relating to all or any part of the Property;
 - (c) by way of first fixed charge any rights of the Chargor (both present and future) in the goodwill of any business carried on at or through all or any part of the Property and in the proceeds of any insurance over or relating to all or any part of the Property; and
 - (d) by way of first floating charge all of the undertaking, property, rights and other assets of any kind of the Chargor (both present and future) if and to the extent that they are not from time to time effectively charged or assigned under Paragraphs 1(a) to (c) above.

2. The Land

The property referred to in paragraph 1(a) above (and described in Paragraph 1 of Schedule 1 to the Charge) is the following:

All of the leasehold property known as land and buildings on the south west of St. John Street, Leicester comprised in a lease of 23th September 1993 and made between (1) the Borrower and (2) the Chargor and all buildings, structures, erections, fixtures, fittings (including trade fixtures and fittings) and other chattels from time to time on such property.

3. Further provisions regarding the floating charge in paragraphs 2.1(d) of Schedule 1 to the Charge

The Charge provides that the floating charge referred to in paragraph 1(d) above (and described in Paragraph 2.1(d) of Schedule 1 to the Charge shall automatically (without any notice to the Chargor being required) operate as a fixed charge immediately if:

- (a) the Chargor (without the prior consent in writing of the Lender) creates a Security Interest over any of the Security Assets referred to in Paragraph 1(d) above or attempts to do so; or
- (b) an Insolvency Appointee is appointed over any of those Security Assets or any person threatens or attempts to levy any distress, execution, sequestration or other process against any of the same.

Nothing in the Charge shall affect the crystallisation of the floating charge under the general law.

The Lender may at any time by notice to the Chargor convert the floating charge referred to in Paragraph 1(d) above into a fixed charge in respect of all of the Security Assets referred to in that Paragraph or any part of them specified or referred to in the notice.

4. Negative pledge and other covenants in Paragraphs 1 and 2 of Schedule 2 to the Charge

In the Charge the Chargor covenants that it shall not without the prior written consent of the Lender:

- (a) sell or agree to sell the Security Assets (except that the Chargor may without such consent sell any of its stock-in-trade charged by way of floating charge only, if that sale is for full market value and in the usual course of the Chargor's trading as conducted at the date of the Charge);
- (b) grant, agree to grant or permit to continue any Derivative Lease of or licence with respect to the Security Assets, part with or share the possession or occupation of the same or permit or suffer any such parting or sharing to continue;
- (c) create (or permit to continue or to be created) any Security Interest over the Security Assets other than this security and any liens arising by operation of law in the ordinary course of trading; or
- (d) otherwise deal in any way with the Security Assets or enter into any onerous or restrictive obligations affecting the same;

- (e) surrender or determine or agree to the determination, surrender or termination of any lease forming part of the Security Assets;
- (f) determine or forfeit (or commence any proceedings for forfeiture of) any Derivative Lease, agree to its determination or assignment or accept its surrender; or
- (g) vary, amend or agree to vary or amend the terms of any lease comprised in the Security Assets or any Derivative Lease.

5. Further assurance covenant in paragraph 11 of Schedule 2 to the Charge

In the Charge the Chargor covenants that it shall at its own expense execute and do (and ensure that its nominees execute and do) all such assurances, acts and things (if any) as the Lender may require from time to time for perfecting or protecting the Lender's security over the Security Assets or for facilitating the realisation of such property and the exercise of all powers, authorities and discretions vested by this security in the Lender or in any Receiver.

6. Definitions: Clause 1.1 of the Charge

In the Charge and in these particulars:

"Derivative Lease" means any lease, underlease or tenancy subsisting or created (whether by the Chargor or otherwise) directly or indirectly out of any interest of the Chargor in any of the Security Assets

"Grafton Place" means the property and other assets described in Paragraph 2 above

"Insolvency Appointee" means a provisional liquidator, liquidator, administrative or other receiver, administrator, trustee or other similar officer

"Property" means all or any part of Grafton Place and other assets described in Paragraph 1 above and "Property" shall be construed accordingly

"Receiver" means any one or more persons appointed in writing (signed by a manager or more senior officer of the Lender) to be a receiver and/or manager of the Security Assets

"Security Assets" means all or any part of the property, revenue, assets, business, undertakings and rights from time to time the subject of this security and "Security Asset" shall be construed accordingly

"Security Interest" means any debenture, mortgage, charge, pledge, lien, assignment, hypothecation, right of set-off, title retention or other arrangement or agreement the effect of which is the creation of security



**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

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

I hereby certify that a mortgage or charge dated the 28th SEPTEMBER 1993
and created by SOUTH FIELDS ENTERPRISES LIMITED

for securing all moneys due or to become due from the Company to
GAMLESTADEN PLC UNDER THE FINANCE DOCUMENTS (AS DEFINED)

CANCELLED

on any account whatsoever

was registered pursuant to Chapter I Part XII of the Companies Act
1985, on the 5th OCTOBER 1993

Given under my hand at the Companies Registration Office,
Cardiff the 8th OCTOBER 1993

No. 2786587

P. Jones
P. JONES

an authorised officer

C.69

*This certificate has been
cancelled - favour of a new
certificate dated 14 October 1993*

*P. Jones (P. JONES)
Authorised officer.*

*Post
8.10
M.*



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

I hereby certify that a mortgage or charge dated the 28th SEPTEMBER 1993 and created by SOUTH FIELDS ENTERPRISES LIMITED for securing all moneys due or to become due from the Company to GAMLESTADEN PLC including (without limitation) under the Finance Documents (as defined) on any account whatsoever

was registered pursuant to Chapter I Part XII of the Companies Act 1985, on the 5th OCTOBER 1993

Given under my hand at the Companies Registration Office,
Cardiff the 14th OCTOBER 1993

P. Jones

P. JONES

No. 2786587

an authorised officer