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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

[Signature]

2939644

Name of company

* **UK HIGHWAYS PLC** (the "Share Mortgagor")

Date of creation of the charge

8th October 1996

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

A mortgage over shares dated 8th October 1996 (the "Share Mortgage") and made between the Share Mortgagor and Midland Bank plc (the "Security Trustee").

Amount secured by the mortgage or charge

The aggregate of all monies from time to time owing by UK Highways M40 Limited (the "Borrower") to any Secured Creditor, whether actually or contingently, under or pursuant to the Secured Documents or any of them ("Outstanding Indebtedness").

See Continuation Sheet 1, page 2

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

Midland Bank plc of Poultry, London as Security Trustee

Postcode

EC2P 2BX

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

Norton Rose
Kempson House
Camomile Street
London
EC3A 7AN

PUW/126/Y124061/MORTG.395

Time critical reference

For official use
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

- 1 In clause 2.1 of the Share Mortgage, the Share Mortgagor with full title guarantee mortgages and agrees to mortgage to the Security Trustee as a continuing security all of its interest in and to all of the Secured Property.
- 2 In clause 4.2 of the Share Mortgage, the Share Mortgagor covenants with the Security Trustee that during the continuance of the Share Mortgage the Share Mortgagor will at all times:
 - (a) duly and promptly pay in accordance with the Investment Agreement all calls, instalments or other payments which from time to time become due in respect of any of the Shares;
 - (b) not (without the prior written consent of the Security Trustee):
 - (i) create or permit to subsist any Encumbrance (other than a Permitted Encumbrance or as contemplated by the Share Mortgage) on or over the Secured Property or any part of thereof or any interest therein;

See Continuation Sheet 1, page 4

Particulars as to commission allowance or discount (note 3)

Nil

Signed Norton Rose

Date 22nd October 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.

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Particulars of a mortgage or charge (continued)

Continuation sheet No 1
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

2939644

Name of Company

UK HIGHWAYS PLC

Limited*

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

Definitions

Please complete
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"Account Bank" means Midland Bank plc acting through its Poultry branch or any other branch in the United Kingdom or such other Bank as the Borrower and the Majority Banks agree;

"Account Bank Agreement" means the agreement dated 8th October 1996 and entered into between the Borrower (1), the Account Bank (2), the Facility Agent (3) and the Security Trustee (4);

"Advance" means each borrowing of a portion of the Commitments under either of the Loan Facilities by the Borrower or (as the context may require) the principal amount of such borrowing;

"Arranger" means Midland Bank plc;

"Bank Hedge Provider" means any Bank which is party to a Hedging Agreement with the Borrower;

"Banks" means the banks whose names appears in schedule 1 to the Facilities Agreement and includes their successors in title and Transferees, and **"Bank"** means any one of them;

"CJV Addendum" means the letter, in the approved form, from the Construction Contractor to the Borrower dated 8th October 1996 in relation to junctions 1A to 3 retaining walls and Low Farm embankment;

"CJV Guarantee Confirmation Letter" means the letter, or letters, in the approved form, from the Construction Contract Guarantors to the Borrower in relation to the CJV Addendum;

"Commencement Date" means the date certified by the Secretary of State pursuant to the DBFO Contract;

"Commitment" means, in relation to a Bank:

- (a) the amount set opposite its name in schedule 1 to the Facilities Agreement in the case of the Main Facility and the Revolving Facility; and
- (b) the amount equal to the percentage set opposite its name in schedule 1 to the Facilities Agreement of the Outstanding Amount under the Guarantee issued pursuant to the Guarantee Facility,

or, as the case may be, in any relevant Transfer Certificate, as increased, cancelled or reduced by any relevant term of the Facilities Agreement or any Transfer Certificate;

"Construction Contract" means the agreement, in the approved form, made or to be made between the Borrower (1) and the Construction Contractor (2) relating to the widening of the M40 between Junctions 1A and 3;

"Construction Contractor" means each of John Laing Construction Limited and Tarmac Construction Limited as participants in a joint venture (with joint and several liability) as the contractor under the Construction Contract;

"Construction Contract Guarantee" means the joint and several guarantee given by the Construction Contractor Guarantors in relation to the obligations of the Construction Contractor under the Construction Contract;

"Construction Contractor Guarantors" means Tarmac plc and John Laing plc;

See Continuation Sheet 2, page 2

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

Please complete
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- (ii) sell, transfer or otherwise dispose of the Secured Property or any part thereof or interest therein or attempt or agree so to do;
 - (iii) suffer or permit the Borrower to cancel, increase, create or issue or agree to issue or put under option or agree to put under option any share or loan capital or obligation now or hereafter convertible into share or loan capital of or in the Borrower of any class or call any uncalled capital;
 - (iv) suffer or permit the Borrower to make any alteration to, grant any rights in relation to or otherwise re-organise or purchase or reduce the share capital or reserves of the Borrower in any way or enter into any composition or arrangement with its creditors or any class of creditors of the Borrower; or
 - (v) alter any of the provisions of the Borrower's memorandum and articles of association or convene any meeting with a view to the passing of a resolution that the Borrower be wound up;
- (d) not take or receive any Encumbrance from the Borrower in respect of the liability of the Share Mortgagor under the Share Mortgage.

4 Clause 6.1 of the Share Mortgage contains an agreement by the Share Mortgagor that at its own expense at any time if and when required by the Security Trustee execute such further legal or other charges or assignments in favour of the Security Trustee as Security Trustee shall from time to time reasonably require over all or any of the Secured Property and all rights relating to thereto both present and future (including any substituted securities and vendor's lien) and any other transfers or documents the Security Trustee may from time to time require for perfecting its title to the same or for vesting or enabling it to vest the same in itself or its nominees or in any purchaser to secure the Outstanding Indebtedness or to facilitate realisation of the Secured Property or the exercise of the powers conferred on the Security Trustee, such further charges or assignments to be prepared by or on behalf of the Security Trustee at the cost of the Share Mortgagor and to contain an immediate power of sale without notice, a clause excluding section 93 and the restrictions contained in section 103 of the Law of Property Act 1925 and such other clauses for the benefit of the Security Trustee as the Security Trustee may reasonably require.

5 Clause 9 of the Share Mortgage contains an agreement between the Share Mortgagor and the Security Trustee that the security created by the Share Mortgage and the obligations and liabilities of the Share Mortgagor and rights, remedies and powers of the Security Trustee under the Share Mortgage:

See Continuation Sheet 2, page 4

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Particulars of a mortgage or charge (continued)

Continuation sheet No 2
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

2939644

Name of Company

UK HIGHWAYS PLC

Limited*

* delete if
inappropriate

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

"Construction Direct Agreement" means the direct agreement entered into between the Construction Contractor (1), the Borrower (2) and the Security Trustee (3) in relation to the Construction Contract;

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"Contribution" means, in relation to a Bank:

- (a) in relation to the Loan Facilities, the principal amount of the Total Loan owing to such Bank at any relevant time;
- (b) in relation to the Main Facility, the principal amount of the Main Loan owing to such Bank at any relevant time;
- (c) in relation to the Revolving Facility, the principal amount of the Revolving Loan owing to such Bank at any relevant time;
- (d) in relation to the Guarantee Facility, the portion of the Outstanding Amount of the Guarantee guaranteed by such Bank at any relevant time;

"DBFO Contract" means the agreement, in the approved form, made or to be made, between the Secretary of State (1) and the Borrower (2) in relation to the Project;

"DBFO Contract Direct Agreement" means the agreement, in the approved form, made or to be made, between the Secretary of State (1), the Facility Agent and Security Trustee (2) and the Borrower (3) in relation to the DBFO Contract;

"Debenture" means the debenture dated 8th October 1996 given by the Borrower in favour of the Security Trustee;

"Designer" means Hyder Consulting Limited;

"Design Contract" means the agreement entered into, or to be entered into, in the approved form, between the Construction Contractor (1) and the Designer (2);

"Designer's Direct Agreement" means the direct agreement entered into or to be entered into, in the approved form, between the Borrower (1), the Construction Contractor (2) and the Designer (3);

"Direct Agreements" means:

- (a) the Shareholders' Direct Agreement;
- (b) the DBFO Contract Direct Agreement;
- (c) the Construction Direct Agreement;
- (d) the O&M Direct Agreement;
- (e) the Management Agreement Direct Agreement;
- (f) the TME Direct Agreement;
- (g) each other agreement in relation to one or more of the Project Documents or other document between the Borrower, the Security Trustee and the other party or parties to the relevant Project Document or other document as the Borrower and the Security Trustee may so designate in writing;

See Continuation Sheet 3, page 2

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

Please complete
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- (a) shall be held by the Security Trustee as a continuing security for the payment by the Borrower of the Outstanding Indebtedness and the performance and observance of and compliance with all of the covenants, terms and conditions contained in the Secured Documents, express or implied;
- (b) shall be in addition to and shall not prejudice or affect and may be enforced by the Security Trustee without prior recourse to, the security created by any other of the Secured Documents or by any present or future Collateral Instruments, right or remedy held by or available to the Security Trustee or any right or remedy of the Security Trustee thereunder;
- (c) may be enforced by the Security Trustee without prior recourse to any such security as is referred to in clause 9.1(b) of the Share Mortgage and the Share Mortgagor waives all rights it may have of first requiring the Security Trustee to enforce any such security or guarantee or to proceed against or claim payment from the Borrower or any other person;
- (d) shall not be satisfied by any intermediate payment or satisfaction of any part of the Outstanding Indebtedness or by any settlement of accounts between the Borrower, the Share Mortgagor or any other person who may be liable to the Security Trustee in respect of the Outstanding Indebtedness or any part thereof and the Security Trustee;
- (e) shall not in any way be prejudiced or affected by any time, indulgence or relief being given by the Security Trustee to the Borrower or an other person, by any amendment or supplement to the Facilities Agreement, any of the other Secured Documents or any other document, by the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any right, remedy or security against the Borrower or any other person or by anything done or omitted which but for this provision might operate to exonerate the Share Mortgagor; and
- (f) shall not in any way be prejudiced or affected by any change in the constitution of, or any amalgamation or reconstruction of the Borrower, the Security Trustee or any other person or by any legal limitation, disability, incapacity or other circumstances relating to the Borrower or any other person, whether or not known to the Security Trustee, by any invalidity or in or irregularity or unenforceability of the obligations of the Borrower or any other person under the Facilities Agreement or any of the other Secured Documents or otherwise and so that in the event that any obligation or purported obligation of the Borrower or any other person which, if enforceable or valid or continuing, would be secured by the Share Mortgage is or becomes wholly or in part unenforceable or invalid or terminated for any reason whatsoever, the Share Mortgagor will keep the Security Trustee fully indemnified against any loss suffered by the Security Trustee as a result of any failure by the Borrower or such other party to perform any such obligation or purported obligation.

See Continuation Sheet 3, page 4

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Particulars of a mortgage or charge (continued)

Continuation sheet No 3
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

2939644

Name of Company

UK HIGHWAYS PLC

Limited*

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

"Equity Back-up L/Cs" means the standby letters of credit in the form of schedule 1 to the Investment Agreement, in the approved form, issued by a bank acceptable to the Facility Agent in respect of:

Please complete
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- (a) the obligations of the Sponsors under the Investment Agreement; and
- (b) the obligations of the Borrower under the Facilities Agreement prior to the Commencement Date;

"Facilities Agreement" means the facilities agreement dated 8th October 1996 and made between the Borrower (1), the Banks (2), the Arranger (3), the Technical Bank (4), the Account Bank (5), the Issuing Bank (6), the Facility Agent (7) and the Security Trustee (8) and pursuant to which the Banks agreed to make available to the Borrower a £90,000,000 project finance facility for the construction and operation of junctions 1 to 15 of the M40;

"Facility Agent" means Midland Bank plc or such other person as may be appointed agent for the Banks pursuant to clause 20.12 of the Facilities Agreement;

"Fee Letters" means:

- (a) the letter dated 8th October 1996 from the Arranger to the Borrower in relation to the front-end fees referred to in clause 7.1(a) of the Facilities Agreement, being described on its face as the Arranger Fee Letter;
- (b) the letter dated 8th October 1996 from the Facility Agent to the Borrower in relation to the agency fees referred to in clause 7.1(b) of the Facilities Agreement, being described on its face as the Facility Agent Fee Letter;
- (c) the letter dated 8th October 1996 from the Technical Bank to the Borrower in relation to the technical bank fees referred to in clause 7.1(c) of the Facilities Agreement being described on its face as the Technical Bank Fee Letter;
- (d) the letter from the Account Bank to the Borrower in the approved form in relation to the fees referred to in clause 2.6 of the Account Bank Agreement, which is described on its face as the Account Bank Fee Letter;

"Finance Parties" means:

- (a) each Bank;
- (b) each Arranger;
- (c) the Technical Bank;
- (d) the Account Bank;
- (e) the Facility Agent; and
- (f) the Security Trustee,

and **"Finance Party"** means any one of them;

See Continuation Sheet 4, page 2

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

Please complete
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- 6 Clause 9.5 of the Share Mortgage provides that any release, discharge or settlement between the Share Mortgagor and the Security Trustee shall be conditional upon no security disposition or payment to the Security Trustee by the Borrower, the Share Mortgagor or any other person being void or set aside or ordered to be refunded pursuant to any provisions or enactments relating to bankruptcy, liquidation, administration or insolvency or for any other reason whatsoever and if such condition shall not be fulfilled, the Security Trustee shall be entitled to enforce the security created by the Share Mortgage and the other Secured Documents as if such release, settlement or discharge had not occurred and any such payment had not been made.

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In the Share Mortgage:

"Associate Company" means in relation to a person means the holding company of such person or a company of which it or its holding company beneficially owns 61 per cent of the issued share capital which does not have any voting rights of such company;

"Authorised Investment" means:

- (a) a United Kingdom government security of a remaining maturity not exceeding 2 years;
- (b) a Sterling denominated time deposit (of an original maturity not exceeding 6 months) with a bank which is an authorised institution under the Banking Act 1987 and whose long-term debt securities are for the time being rated at least Aa3 by Moody's and AA- by S&P, subject to not more than £5,000,000 of such time deposits with any bank other than the Account Bank;
- (c) other instruments with a maturity of less than 1 year which are rated at least P-1 by Moody's and A-1 by S&P or instruments (including unsecured promissory notes) with a maturity of less than 1 year issued by, or guaranteed by, entities whose short-term debt securities are rated at least P-1 by Moody's and A-1 by S&P or instruments (including unsecured promissory notes) with a maturity of less than 5 years issued by, or guaranteed by, entities whose long term debt securities are rated at least Aa3 by Moody's and AA- by S&P; or
- (d) any other investment agreed by the Facility Agent;

save that any instrument issued by a Sponsor or an Associate Company or in respect of the debt of a Sponsor or Associate Company, shall not be an Authorised Investment;

"Collateral Instruments" means notes, bills of exchange, certificates of deposit and other negotiable and non-negotiable instruments, guarantees, indemnities and other insurances against financial loss and other documents or instruments which contain or evidence an obligation (with or without security) to pay, discharge or be responsible directly or indirectly for any indebtedness or liabilities of the Borrower or any other person liable and includes any documents or instruments creating or evidencing a mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, cost arrangement or security interest of any kind;

See Continuation Sheet 4, page 4

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

Continuation sheet No 4
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

2939644

Name of Company

UK HIGHWAYS PLC

Limited*

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

"Financing Documents" means:

- (a) the Facilities Agreement;
- (b) the Fee Letters;
- (c) the Security Documents; and
- (d) the Account Bank Agreement;

"Guarantee" means the performance guarantee to be issued by Midland Bank plc as Issuing Bank;

"Guarantee Facility" means the guarantee facility to be made available to the Borrower pursuant to clause 2.3 of the Facilities Agreement;

"Hedging Agreement" means:

- (a) any agreement between the Borrower and another person under which each party assumes a liability to make a payment or payments to the other on future specified dates calculated by reference to the value of a notional amount multiplied by a specified rate of interest for a specified period or periods as against the notional amount of the same;
- (b) any other agreement between the Borrower and another person in relation to the hedging of floating rate interest rate exposure including, without limitation, a cap, floor, collar or option; and
- (c) any other agreement between the Borrower and another person in relation to the hedging of currency exposure including, without limitation, a spot or forward foreign exchange agreement or currency swap;

"Hyder Confirmation Letter" means a letter, in the approved form, to be written by Hyder Consulting Limited to the Borrower relating to drawings to be commissioned by the Borrower;

"Initial Maintenance Works Contract" means the agreement entered into, or to be entered into, in the approved form, between the Borrower (1) and the Construction Contractor (2) in relation to the initial maintenance works;

"Initial Maintenance Works Contract Guarantee" means the joint and several guarantee, in the approved form, given, or to be given, by the Construction Contractor Guarantors in relation to the Construction Contractor under the Initial Maintenance Works Contract;

"Investment Agreement" means the agreement entered into, or to be entered into, in the approved form between the Sponsors (1), UKH (2) and the Borrower (3) where, among other things, UKH has agreed to subscribe for 100 per cent. of the share capital of the Borrower;

"Issuing Bank" means Midland Bank plc as issuer of the Guarantee;

"Lease" means each of the leases set out in schedule 1 to the Debenture (see Continuation Sheet 9, Page 2;

"Loan Facilities" means:

- (a) the Main Facility; and

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See Continuation Sheet 5, page 2

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

**Please complete
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"Encumbrance" means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, security interest or other encumbrance of any kind securing or any right conferring a priority of payment in respect of any obligation of any person but, for the avoidance of doubt, excludes any reservation of title;

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"Permitted Encumbrances" means:

- (a) Encumbrances arising under any Financing Document;
- (b) Encumbrances arising under any Project Document at the date of the Facilities Agreement;
- (c) a lien or right of set-off arising solely by operation of law or under an agreement to substantially similar effect (in circumstances where such lien or right of set-off would otherwise have existed by operation of law) in respect of a liability which has been due for less than 60 days or which is being contested in good faith and any Encumbrance arising in the ordinary course of payment netting arrangements and other usual banking transactions;
- (d) a lien or other Encumbrance over any Authorised Investments in favour of a clearing or custody system within which such Authorised Investments are held;
- (e) Encumbrances created with the prior written consent of the Facility Agent acting on the instructions of the Majority Banks; and
- (f) any Encumbrance in respect of the joint deposit account to be opened in the names of the Secretary of State and the Company in accordance with the DBFO Contract;

"Retention Account"

"Secured Property" means the Shares and all stock, shares, warrants, securities, rights, moneys or property (including the dividends, interest or income thereon or therefrom) accruing or acquired at any time and from time to time by way of redemption, purchase, bonus, preference, option or otherwise to or in respect of or derived from all or any of the shares or any derivative thereof, including the proceeds of any sale of any of the Shares;

"Shares" means the shares in the capital of the Borrower registered in the name of the Share Mortgagor and beneficially owned by the Share Mortgagor referred to in schedule 1 of the Share Mortgage, and shall include any other shares in the capital of the Borrower which may after the date of the Share Mortgage be registered in the name of, or beneficially owned by, the Share Mortgagor and/or its nominee or trustee; and

"Sterling" and **"£"** mean the lawful currency for the time being of the United Kingdom.

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

Continuation sheet No 5
to Form No 395 and 410 (Scot)

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Company Number

2939644

Name of Company

UK HIGHWAYS PLC

Limited*

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

(b) the Revolving Facility,
and "Loan Facility" means either one of them;

"Main Facility" means the £79,000,000 term loan facility to be made available to the Borrower pursuant to clause 2.1 of the Facilities Agreement;

"Main Loan" means the aggregate principal amount owing to the Banks in relation to the Main Facility at any relevant time;

"Major Maintenance Agreement" means:

- (a) the Initial Maintenance Works Contract; and
- (b) any other agreement, in the approved form, to be entered into between the Borrower and another person in relation to major maintenance involving expenditure equal to or in excess of £1,000,000 which is not covered by the O&M Agreement;

"Majority Banks" means Banks:

- (a) the aggregate of whose Contributions at any relevant time exceed 66.66 per cent. of the aggregate of the Total Loan;
- (b) if no Advance has been made, the aggregate of whose Commitments exceed 66.66 per cent. of the Commitments of all the Banks; or
- (c) if there are no Contributions outstanding and the Commitments of all the Banks have been reduced to zero, the aggregate of whose Commitments exceeded 66.66 per cent. of the Commitments of all the Banks immediately before such reduction;

"Management Agreement" means the management services agreement entered into, or to be entered into, in the approved form, between UKH (1) and the Borrower (2) relating to the provision by UKH of administrative, employee, auditing and other similar services to the Borrower;

"Management Agreement Direct Agreement" means the direct agreement entered into, or to be entered into, between UKH (1) the Borrower (2) and the Security Trustee (3) in relation to the Management Agreement;

"O&M Agreement" means the agreement, in the approved form, made or to be made, between the Borrower (1) and the O&M Contractor (2) and sometimes hereinafter referred to as the O&M Contract;

"O&M Contractor" means UK Highways Services Limited;

"O&M Contractor Guarantees" means the several guarantees given by the O&M Contractor Guarantors in relation to the obligations of the O&M Contractor under the O&M Contract;

"O&M Contractor Guarantors" means:

- (a) Transroute International S.A.
- (b) John Laing Construction Limited;
- (c) Tarmac Construction Limited; and
- (d) Caisse des Depots et Consignations;

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

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Particulars of a mortgage or charge (continued)

Continuation sheet No 6
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

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Name of Company

UK HIGHWAYS PLC

Limited*

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

"O&M Direct Agreement" means the direct agreement entered into, or to be entered into, between the O&M Contractor (1), the Borrower (2) and the Security Trustee (3) in relation to the O&M Contract;

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"O&M Subcontractor" means Tarmac Quarry Products Limited;

"O&M Subcontractor Direct Agreement" means the direct agreement entered into, or to be entered into, in the approved form, between the O&M Subcontractor (1) the O&M Contractor (2) and the Borrower (3);

"Outstanding Amount" means, in relation to the Guarantee at any time, the guaranteed sum at such time;

"Project" means the design, construction, development, commissioning and performance testing and the operation and maintenance of certain lengths of trunk road or motorway relating to the M40 motorway, including without limitation all carriageways, hard shoulders, slip roads, access roads, side roads, bridges and other highways structures, together with all supporting infrastructure and amenity and the land, spaces, waterway, roads and any surface so required;

"Project Documents" means:

- (a) the Construction Contract;
- (b) the O&M Agreement;
- (c) the O&M Subcontractor Direct Agreement;
- (d) the DBFO Contract;
- (e) the Construction Contractor Guarantees;
- (f) O&M Contractor Guarantees;
- (g) each Lease;
- (h) each Major Maintenance Agreement;
- (i) the Investment Agreement;
- (j) Initial Maintenance Works Contract;
- (k) the Initial Maintenance Works Contract Guarantee;
- (l) the Design Contract;
- (m) the Designer's Direct Agreement;
- (n) the Traffic Measuring Equipment Contract;
- (o) the TME Performance Bond;
- (p) the Management Agreement;
- (q) each Equity Back-up L/C;
- (r) the UKH Deed of Charge;
- (s) the CJV Addendum;
- (t) the CJV Guarantee Confirmation Letter; and
- (u) the Hyder Confirmation Letter;

See Continuation Sheet 7, page 2

Please do not
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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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Particulars of a mortgage or charge (continued)

Continuation sheet No 7
to Form No 395 and 410 (Scot)

CHA 116

Please complete
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in black type, or
bold block lettering

Company Number

2939644

Name of Company

UK HIGHWAYS PLC

Limited*

* delete if
inappropriate

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

"Revolving Facility" means the £6,000,000 (subject to clause 4.3(f) of the Facilities Agreement) revolving facility to be made available to the Borrower pursuant to clause 2.2 of the Facilities Agreement;

"Revolving Loan" means the principal amount owing to the Banks at any relevant time under the Revolving Facility;

"Secretary of State" means the Secretary of State for Transport;

"Secured Creditors" means:

- (a) each Finance Party; and
- (b) each Bank Hedge Provider;

"Secured Documents" means:

- (a) each Financing Document; and
- (b) each Hedging Agreement with a Bank Hedge Provider;

and **"Secured Document"** means any one of them;

"Security Documents" means:

- (a) the Debenture;
- (b) the Share Mortgage;
- (c) each Direct Agreement; and
- (d) any other document designated as such by the Security Trustee and the Borrower in writing;

"Security Trustee" means Midland Bank plc or such other person as may be appointed security trustee in accordance with the Facilities Agreement;

"Share Mortgagor" includes the successors and permitted assignees of the Share Mortgagor;

"Shareholders' Direct Agreement" means the agreement to be made between the Borrower (1), UKH (2), each Sponsor (3), John Laing PLC, Tarmac PLC and Hyder PLC (as parent companies of certain Sponsors) (4), the Facility Agent and the Security Trustee (5);

"Sponsors" means:

- (a) John Laing Investments Limited;
- (b) Hyder Investments Limited;
- (c) Tarmac (PFI) Limited;
- (d) Transroute International S.A.; and
- (e) Caisse des Depots et Consignations,

in each case, for so long as they are a shareholder in UKH;

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See Continuation Sheet 8, page 2

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

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

Continuation sheet No 8
to Form No 395 and 410 (Scot)

CHA 116

Please complete
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in black type, or
bold block lettering

Company Number

2939644

Name of Company

UK HIGHWAYS PLC

Limited*

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

"Technical Bank" means Midland Bank plc or such other Bank as may be appointed as the technical bank in accordance with clause 20.13 of the Facilities Agreement;

Please complete
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"TME Direct Agreement" means the agreement entered into, or to be entered into, in the approved form, between Transroute International S.A. (1), the Borrower (2), the Technical Bank (3) and the Security Trustee (4);

"TME Performance Bond" means the performance bond, in the approved form, given, or to be given, by Société Générale in relation to the Traffic Measuring Equipment Contract;

"Total Loan" means the aggregate principal amount owing to the Banks in relation to the Loan Facilities at any relevant time;

"Traffic Measuring Equipment Contract" means the agreement, in the approved form, made or to be made, between the Borrower (1) and Transroute International S.A. (2);

"Transfer Certificate" means a certificate substantially in the terms of Schedule 5 to the Facilities Agreement;

"Transferee" means any bank to which any Bank may transfer all or that part of its rights, benefits and/or obligations under the Facilities Agreement and a corresponding part of its rights, benefits, and/or obligations under the Facilities Agreement;

"UKH" means UK Highways plc, the parent company of the Borrower; and

"UKH Deed of Charge" means the deed of charge entered into, or to be entered into, in the approved form, between UKH (1) and the Borrower (2) in relation to the uncalled capital of UKH.

See Continuation Sheet 9, page 2

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

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in black type, or
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**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 9
to Form No 395 and 410 (Scot)

CHA 116

Please complete
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in black type, or
bold block lettering

Company Number

2939644

Name of Company

UK HIGHWAYS PLC

Limited*

* delete if
inappropriate

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

Schedule 1 to the Debenture
Properties

| Property | Tenure | Parties to Lease |
|--|---|--|
| M40 Maintenance Compound Wildmore Road Banbury Oxfordshire | Leasehold for the term of 30 years from the Commencement Date. | (1) The Secretary of State for Transport and (2) the Borrower. |
| Handy Cross Maintenance Depot | Leasehold for the term of 108 years from the Commencement Date, determinable by landlord after 4 years upon 2 years notice | (1) The Secretary of State for Transport and (2) the Borrower. |
| Milton Common Maintenance Depot | Leasehold for the term of 108 years from the Commencement Date, determinable by the landlord after 4 years upon 2 years notice | (1) The Secretary of State for Transport and (2) the Borrower. |

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

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Short particulars of all the property mortgaged or charged (continued)

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binding margin

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in black type, or
bold block lettering

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 02939644

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A MORTGAGE OVER SHARES DATED THE 8th OCTOBER 1996 AND CREATED BY UK HIGHWAYS PLC FOR SECURING THE AGGREGATE OF ALL MONIES FROM TIME TO TIME OWING BY UK HIGHWAYS M40 LIMITED (THE BORROWER) TO MIDLAND BANK PLC AS SECURITY TRUSTEE WHETHER ACTUALLY OR CONTINGENTLY UNDER OR PURSUANT TO THE SECURITY DOCUMENTS (AS DEFINED) OR ANY OF THEM WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 22nd OCTOBER 1996.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24th OCTOBER 1996.



A. J. WAKEHAM

for the Registrar of Companies

16/11
24.10



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

HC026B