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COMPANIES FORM No. 395

Particulars of a mortgage or charge

Pursuant to section 395 of the Companies Act 1985

395

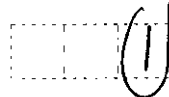
Please complete
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lettering

* Insert full name
of company

To the Registrar of Companies

For official use Company number

Name of company



3230276

* Leek Finance Holdings Limited (the "Mortgagor")

Date of creation of the charge

27 September 1996 ✓

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

a mortgage over shares (the "Share Mortgage") dated 27 September 1996 between the Mortgagor (1) and Union Bank of Switzerland (2)

Amount secured by the mortgage or charge

All moneys and liabilities whatsoever which from time to time become due, owing or payable by Finance:

- (a) to or to the order of the Security Trustee under the Deed of Charge and the other Financing Documents at the times and in the manner provided herein or therein;
- (b) under or in respect of the Facility Agreement;
- (c) to the Security Trustee on any account whatsoever, whether as principal or surety and whether or not jointly with another;
(see continuation sheet)

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

Union Bank of Switzerland (and its successors in title) (the "Security Trustee") acting through its London Branch: 100 Liverpool St

Postcode

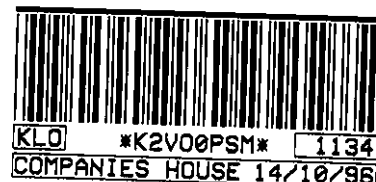
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Presentor's name, address and
reference (if any):

Freshfields
65 Fleet Street
London EC4Y 1HS
DX 23 LONDON
(MAK/SLM) JOE1

For official use
Mortgage section

Post room



Time critical reference

Short particulars of all the property mortgaged or charged

MORTGAGE

By way of first fixed mortgage:

- (a) the Original Securities; and
- (b) all other securities and all rights, moneys (including, without limitation, dividends) and property whatsoever which may from time to time at any time be derived from, accrue on or be offered in respect of the Original Securities whether by way of a redemption, exchange, conversion, rights, bonus, capital reorganisation or otherwise howsoever.

(see continuation sheet)

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Particulars as to commission allowance or discount (note 3)

Not applicable

Signed

Freshfields

Date

14 October 1996

On behalf of ~~XXXXXX~~ 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.

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Particulars of a mortgage or charge (continued)

Continuation sheet No 1
to Forms Nos 395 and 410 (Scot)

Company number

3230276

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bold block lettering

Name of company

Leek Finance Holdings Limited (the "Mortgagor")

Limited*

*

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

Delete if
inappropriate

Amount due or owing on the mortgage or charge (continued)

(d) to MAS2 under the Administration Agreement and the Mortgage Sale Agreement;
and

(e) to Britannia under the Subordinated Loan Agreement whether as principal or surety
and whether or not jointly with another.

The priority of entitlements of the Security Trustee, MAS2 and Britannia are governed
by the terms of the Priority Deed.

For definitions please see Schedule of Defined Terms attached.

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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

but in each case so that the covenants implied by the Law of Property (Miscellaneous Provisions) Act 1994 (the "LP (MP) Act") in the mortgages and charges contained in or created pursuant to this Mortgage, are construed with the omission of:

(A) the words "other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about" in section 3(1) LP (MP) Act; and

(B) section 6(2) LP (MP) Act.

NB1: RESTRICTIONS

This Share Mortgage contains restrictions on the Mortgagor including a covenant that it will not without the written consent of the Security Trustee:

(a) create or permit to exist over all or part of the Security Shares (or any interest therein) any Security Interest (other than this Share Mortgage) whether ranking prior to, pari passu with or behind the security contained in this Share Mortgage;

(b) sell, transfer or otherwise dispose of the Security Shares or any interest therein or attempt or agree to so dispose; or

(c) permit any person other than the Mortgagor to be registered as or become the holder of the Security Shares.

LEEK FINANCE HOLDINGS LIMITED

Company Number 3230276

Schedule of Defined Terms

Administration Agreement means the agreement made between MAS2, MAS1, Finance, Britannia, the Security Trustee and BankCo dated 27 September 1996 in respect of the administration of, inter alia, the Mortgages;

Agent means Union Bank of Switzerland;

Banks means Union Bank of Switzerland and its successors, assignees and transferees;

BankCo means Mortgage Agency Services Number Three Limited of Newton House, Leek, Staffordshire ST13 5RG;

Bank Mandates means the mandates to National Westminster Bank plc in respect of the Collection Account (No.23478985), the Redemption Account (No.23479256) and the Sundries Account (No.23479248);

Borrower means, in relation to each Mortgage, the borrower or mortgagor as defined therein;

Britannia means Britannia Building Society;

Britannia Deposit Agreement means the agreement made between BankCo, Britannia, the Security Trustee, MAS1 and Finance dated 27 September 1996;

Citibank means Citibank International Plc, whose registered office is at 336 Strand, London WC1R 1HB;

Collection Account means the account of BankCo at National Westminster Bank plc, Leeds, Staffordshire account number 23478985 which is subject to the Declaration of Trust;

Declaration of Trust means the trust deed made between BankCo, MAS2, Finance, MAS 1 and the Security Trustee containing, amongst other things, a declaration of trust by BankCo and MAS 2 in respect of the Collection Account, the Redemption Account and the Sundries Account, the moneys standing to the credit of the Collection Account, the Redemption Account and the Sundries Account and BankCo's rights under the Britannia Deposit Agreement;

Deed of Charge means the deed made between Finance and the Security Trustee dated 27 September 1996;

Facility Agreement means the agreement made between Finance, the Agent, the Security Trustee and the Banks dated 27 September 1996 in respect of a loan facility for £830.8 million;

Finance means Leek Finance Number One Limited;

Finance Parties means the Agent, the Security Trustee and the Banks;

Financing Documents means the Facility Agreement, the Deed of Charge, the Subordinated Loan Agreement, the Priority Deed, the Mortgage Sale Agreement, the Administration Agreement, the Declaration of Trust, the Britannia Deposit Agreement, the Bank Mandates, any Sub-Administration Agreement, the Share Mortgage and any other agreement executed pursuant to the Facility Agreement or any of the other Financing Documents;

Loans means the advances and loans including all capitalised sums, with all interest and costs payable thereon, to be sold under the Mortgage Sale Agreement which are secured or intended to be secured by the Mortgages and **Loan** means the aggregate of all such advances made to any borrower and secured or intended to be secured by the same Mortgage;

MAS1 means Mortgage Agency Services Number One Limited;

MAS2 means Mortgage Agency Services Number Two Limited;

Mortgages means the first charges by way of legal mortgage on residential property in England and Wales or Northern Ireland (or, in the case of Properties in Scotland, the standard securities together with the relevant minutes of agreement or loan agreements) originated by Citibank or Citicorp Finance PLC, Citibank Trust Limited, Citibank Financial Trust Limited and securing the Loans, to be sold under the Mortgage Sale Agreement and **Mortgage** means any one of them;

Mortgagor means Leek Finance Holdings Limited;

Mortgage Sale Agreement means the agreement made between MAS2, Finance, Britannia and the Security Trustee dated 27 September 1996 relating to the sale of the Mortgages;

Original Securities means the securities listed in the Schedule to the Share Mortgage and which are all registered in the name of the Mortgagor;

Priority Deed means the deed made between Finance, Britannia, MAS1, MAS2, BankCo, the Mortgagor, the Agent, the Banks and the Security Trustee dated 27 September 1996;

Property means in relation to any Mortgage, the freehold or leasehold or heritable property upon which the Loans and Mortgages are secured, and **Properties** shall be construed accordingly;

Receiver means a receiver appointed under this Deed or pursuant to statutory powers, and includes more than one such receiver and any substituted receiver;

Redemption Account means the account at National Westminster Bank plc, account number 23479256, which is subject to the Declaration of Trust;

Security Interest means any mortgage, charge, pledge, lien, right of set-off, assignment by way of security, retention of title or any security interest whatsoever or any other agreement or arrangement having the effect of conferring security, howsoever created or arising;

Security Parties means the Finance Parties, any Receiver MAS2 and Britannia;

Security Shares means the Original Securities and all and any other shares, securities, rights, moneys and property for the time being charged to the Security Trustee on behalf of the Secured Parties pursuant to clause 2 of the Share Mortgage.

Security Trustee means Union Bank of Switzerland;

Share Mortgage means the mortgage in respect of the shares in Finance dated the date of the Facility Agreement granted to the Security Trustee by the Mortgagor;

Sub-Administration Agreement means an administration agreement made between MAS2 and a Sub-Administrator pursuant to the Administration Agreement;

Sub-Administrator means any entity to whom MAS2 sub-delegates administration of the Mortgages in accordance with Clause 4.2 of the Administration Agreement such sub-delegate being at 27 September 1996, Citibank;

Subordinated Loan Agreement means the subordinated loan agreement entered into by Finance and Britannia dated 27 September 1996;

Sundries Account means the account of MAS2 at National Westminster Bank plc, account number 23479248 which is subject to the Declaration of Trust.

N.B.1 The Share Mortgage provides that references in the Share Mortgage and the Facility Agreement are references to the same as from time to time varied supplemented or amended in any manner or respect whatsoever, and in particular by variations which increase or otherwise affect the liability of the Mortgagor.

N.B.2 The Share Mortgage provides that references to Finance, the Security Trustee, the Secured Parties or any other person include references to any person for the time being deriving title under each of them respectively.

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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. 03230276

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A MORTGAGE DATED THE 27th SEPTEMBER 1996 AND CREATED BY LEEK FINANCE HOLDINGS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY AND LEEK FINANCE NUMBER ONE LIMITED TO UNION BANK OF SWITZERLAND (THE SECURITY TRUSTEE) UNDER THE DEED OF CHARGE AND THE OTHER FINANCING DOCUMENTS (AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 14th OCTOBER 1996.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 17th OCTOBER 1996.

M. Cornelius
M. CORNELIUS

for the Registrar of Companies



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

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