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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

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



3415754

Name of company

* Lend Lease Clacton Limited (the "Company")

*insert full name
of company

Date of creation of the charge

29 January 1998

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

Legal charge (the "Charge")

Amount secured by the mortgage or charge

All liabilities of the Borrowers owed or expressed to be owed to The United Bank of Kuwait PLC (the "Bank") under the Loan Agreement and the Security Documents and whether owed jointly or severally (the "Secured Liabilities"). (ATD)

"Borrowers" means, subject to the provisions of the Loan Agreement, jointly and severally the Company, Goodcite Limited and Clacton Investments Limited.

"Loan Agreement" means the loan agreement dated 29 January 1998 made between the Company, Goodcite Limited and Clacton Investments Limited (1) and the Bank (2).

"Security Document" means any document including the Charge executed by any Borrower or any third party which grants security rights or rights by way of guarantee or indemnity in respect of the Secured Liabilities.

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

The United Bank of Kuwait PLC

7 Baker Street

London

Postcode

W1M 1AB

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

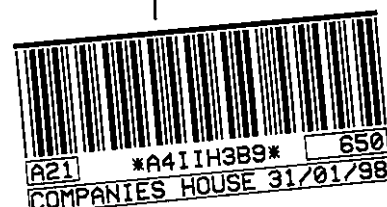
Taylor Joynson Garrett
Carmelite
50 Victoria Embankment
Blackfriars
London EC4Y 0DX

RMG/AGS

Time critical reference

For official use
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

Please see schedule.

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

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Taylor Joyner Garrett

Date 30 January 1998

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.

SCHEDULE

Short particulars of all property mortgaged or charged

As continuing security for the payment of the Secured Liabilities the Chargors with full title guarantee subject to all matters disclosed in the Certificate of Title and to any Permitted Encumbrance:

- (a) charged to the Bank by way of legal mortgage the Property;
- (b) charged to the Bank by way of fixed charge their interest in all money at the date of the Charge or at any time thereafter payable to the Chargors under any insurance in respect of the Property;
- (c) assigned to the Bank by way of first assignment the Rental Income; and
- (d) assigned to the Bank by way of first assignment all right, title, benefit and interest of the Chargors arising out of or in or under any Agreement for Lease.

NOTE

The Charge contains the following covenants:

Negative pledge

The Chargors will not except with the prior written consent of the Bank:

- (a) sell, transfer or otherwise dispose of, or purport or agree to sell, transfer or otherwise dispose of, any interest in, or grant any licence or other right over, any Charged Property except for Leases entered into in the ordinary course of business which are not otherwise prohibited by the provisions of the Charge; or
- (b) enter into, create or permit to subsist any Encumbrance over any Charged Property other than a Permitted Encumbrance.

Powers of leasing

The Chargors' statutory and any other powers of entering into Leases (other than Leases approved by the Bank) and accepting or agreeing to accept surrenders of Leases will be excluded and will not be exercisable by the Chargors in relation to the Property and the Chargors will not without the prior written consent of the Bank (such consent not to be unreasonably withheld or delayed in the circumstances specified in clause 11.2(m) of the Loan Agreement):

- (a) part with possession or occupation of, confer any licence or right to occupy nor confer any interest in the Property other than as may be permitted by the Security Documents and provided that this paragraph will not prohibit the Chargors from granting any lease pursuant to an Agreement for Lease entered into at the date of the Charge on terms disclosed to and approved by the Bank;

- (b) grant any permission to assign, underlet or part with possession or occupation of the Property;
- (c) agree or permit any material amendment to or waiver of the terms of any Lease; or
- (d) exercise any power to determine any Lease,

and any Rental Income arising in respect of any Lease entered into with the consent of the Bank shall be subject to the provisions of clauses 3.1(c) and 4 of the Charge.

Definitions

The following expressions have the following meanings:

"Agreement for Lease" means any agreement for lease already entered into in relation to the Property or any agreement for lease (on terms approved by the Bank) to be entered into by the Chargors in either case comprising a pre-letting of the Property or any part thereof;

"Certificate of Title" means the certificate of title referred to in clause 3.1(h) of the Loan Agreement;

"Charged Property" means all property charged or assigned by the Charge;

"Chargors" means the Company and Goodcite Limited;

"Encumbrance" means a mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, encumbrance, security interest, assignment by way of security or any other agreement or arrangement having the effect of conferring security;

"Lease" includes any underlease, tenancy, letting, licence, any document supplemental or collateral to any of them and any agreement to enter into any of them and the expression tenant will be construed accordingly;

"Permitted Encumbrance" means:

- (a) any Encumbrance entered into in favour of the Bank in accordance with the provisions of the Loan Agreement or the Security Documents;
- (b) the second legal charge over the Property to be granted by the Chargors to Helios (Clacton) Limited in form and substance satisfactory to the Bank; and
- (c) liens arising by operation of law in the ordinary course of business which the relevant Chargor will use all reasonable endeavours to have removed;

"Permitted Outgoings" means in respect of the Property the following amounts payable to the Chargors:

- (a) any insurance premium contributions, service charge or other sums by way of reimbursement of sums expended by the Chargors or either of them under any Lease; and
- (b) Value Added Tax (if any) in respect of the Rental Income and/or any of the amounts referred to in paragraph (a);

"Property" means all that freehold land on the east side of Stephenson Road, West Little, Clacton registered at HM Land Registry under title number EX444123;

"Rental Income" means all amounts payable to or for the benefit of the Chargors in connection with the occupation of the Property including each of the following amounts:

- (a) rent including any increase of rent or interim rent agreed by the Chargors or payable pursuant to any provisions of the Landlord and Tenant Act 1954 and all other sums payable under any Lease;
- (b) sums payable to or for the benefit of the Chargors from any deposit held as security for performance of any tenant's obligations;
- (c) any other monies payable in respect of occupation and/or use of the Property including any fixture for display or advertisement;
- (d) any profits, damages, compensation, settlement or expenses awarded or agreed as a result of any claim made by the Chargors in respect of the Property net of any costs, fees and expenses incurred but not reimbursed to the Chargors in connection with such claim;
- (e) any monies payable under any policy of insurance in respect of loss of rent;
- (f) any sum payable or the value of any consideration to be given by or on behalf of a tenant for the surrender or variation of any occupational lease or occupancy agreement;
- (g) any sums payable by any guarantor of the payment of any of the amounts referred to in this definition; and
- (h) any interest payable on any sum referred to above,

but excluding, for the avoidance of doubt, any Permitted Outgoings;

"Value Added Tax" means value added tax or any other tax substituted for that tax or in respect of supplies, turnover or value added sales.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03415754

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A LEGAL CHARGE DATED THE 29th JANUARY 1998 AND CREATED BY LEND LEASE CLACTON LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY, GOODCITE LIMITED AND CLACTON INVESTMENTS LIMITED (THE "BORROWERS") TO THE UNITED BANK OF KUWAIT PLC UNDER THE LOAN AGREEMENT OF EVEN DATE AND THE SECURITY DOCUMENTS (AS THEREIN DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 31st JANUARY 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 3rd FEBRUARY 1998.

W. Grandon
W. GRANDON

for the Registrar of Companies



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