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COMPANIES FORM No. 395

0A2C 060373 62-

Particulars of a mortgage or charge

395

A fee of £10 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



3824397

Name of company

* Integrated Accommodation Services plc (the "Company")

Date of creation of the charge

16 June 2000

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

Collateral Deed dated 16 June 2000 between the Company, Accommodation Services (Holdings) Limited (the "Shareholder"), Financial Security Assurance (U.K.) Limited ("FSA") and Bankers Trustee Company Limited (as Security Trustee, Senior Bond Trustee and Mezzanine Bond Trustee) (the "Collateral Deed").

Amount secured by the mortgage or charge

The payment by the Company and the Shareholder (as appropriate) of the Senior Liabilities, the Mezzanine Liabilities and the Junior Liabilities, each as defined in the attached continuation sheet.

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

Bankers Trustee Company Limited, 1 Great Winchester Street, London (the "Security Trustee").

Postcode EC2N 2DB

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

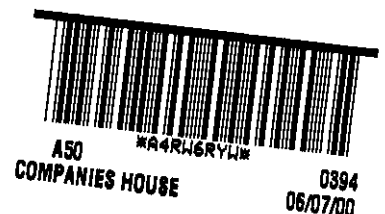
Linklaters
One Silk Street
London EC2Y 8HQ

Ref: KXP/RAD

Time critical reference

For official Use
Mortgage Section

Post room



See continuation sheet.

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)

N/A

Signed

L. L. L. L. L.

Date 5 July 2000

On behalf of [company] [mortgagee/chargee] †

A fee of £10 is
payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

† 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 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF14 3UZ

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 1 - Particulars of all the property mortgaged or charged)

1 Definitions

In this Form 395:

"Abbey National" means Abbey National Treasury Services plc;

"Acceptable Deposit Bank" means a bank or other authorised deposit-taking institute having a long-term credit rating of at least A- from S&P or A3 from Moody's, or such other lower rating as the Controlling Creditor shall from time to time stipulate;

"Acceptable Letter of Credit" means a letter of credit which:

- (a) shall be issued in favour of the Shareholder and the Security Trustee by a bank which at all times shall be a Qualifying L/C Bank;
- (b) has a residual maturity of the shorter of (i) 30 days following the Final Equity Injection Date and (ii) two months; and
- (c) is in full force and effect,

provided that if at any time the issuer of any such Acceptable Letter of Credit ceases to be a Qualifying L/C Bank, the relevant letter of credit shall not cease to be an Acceptable Letter of Credit until the date which is one month after the issuer thereof ceases to be a Qualifying L/C Bank;

"Account Bank" means Deutsche Bank AG London in its capacity as holder of, inter alia, the Issuer Accounts and/or such other bank(s) as may be appointed replacement holder in accordance with the Account Bank Agreement;

"Account Bank Agreement" means the agreement dated 16 June 2000 between the Company, the Account Bank, the Senior Bond Trustee, the Mezzanine Bond Trustee, FSA and the Security Trustee in relation to the establishment and operation of the Accounts held with the Account Bank together with any bank mandate, fee letters or safekeeping agreements between the Company and the Account Bank in relation thereto;

"Accounts" means the Issuer Accounts and the Shareholder Accounts;

"Available Equity Commitment" means, in relation to any Initial Sponsor or any Incoming Sponsor, its Equity Commitment as reduced by subscription and payment (whether before or after 16 June 2000) by such Initial Sponsor or Incoming Sponsor for equity in the Shareholder;

"Available Loan Note Commitment" means, in relation to any Initial Sponsor or any Incoming Sponsor, its Loan Note Commitment, less the aggregate amount of any HoldCo Loan Notes previously subscribed and paid for by such Initial Sponsor or Incoming Sponsor;

"Bondholder" means each person who is for the time being a Senior Bondholder or a Mezzanine Bondholder (as the case may be) and **"Bondholders"** means all such persons;

"Bonds" means the Senior Bonds and the Mezzanine Bonds;

"BT" means British Telecommunications Plc;

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 2 - Particulars of all the property mortgaged or charged)

"BT Guarantee" means the Relevant Sponsor Guarantee as defined in the Collateral Deed.

"Building Contract" has the same meaning given to it in the Project Agreement;

"Building Contract Guarantor" means Carillion Plc or any person (other than the issuer of the Building Contract Performance Bond) from time to time who has given a guarantee in favour of the Company of the obligations of the Building Contractor, in each case, for so long as it remains under any actual or contingent obligation to make payments in respect of such guarantee;

"Building Contract Performance Bond" means the surety bond issued by St. Paul International Insurance Company Limited (whose registered office is at St. Paul House, 27 Camperdown Street, London E1 8DS) in favour of the Company in respect of the performance of the Building Contractor under the Building Contract;

"Building Contractor" means from time to time Carillion Construction Limited (or any of its permitted successors or assigns) or any person at such time acting as a building contractor to the Company under a contract replacing the Building Contract;

"Building Contract IT Sub-contractor" means from time to time BT (or any of its permitted successors or assigns) as party to the IT Contract (Building Contract) or any person at such time acting as building contract IT sub-contractor to the Building Contractor under a contract replacing the IT Contract (Building Contract);

"Building Contract IT Sub-contractor Collateral Warranty" means the deed dated on or about 16 June 2000 between the Company, the Building Contractor and the Building Contractor IT Sub-contractor;

"Capital Replacement Contract" means the agreement dated on or around 16 June 2000 between the Company and the Capital Replacement Contractor;

"Capital Replacement Contractor Guarantor" means Carillion Plc or any person from time to time who has given a guarantee in favour of the Company of the obligations of the Capital Replacement Contractor, in each case, for so long as it remains under any actual or contingent obligation to make payments in respect of such guarantee;

"Capital Replacement Contractor" means from time to time Carillion Construction Limited (or any of its permitted successors or assigns) or any person at such time acting as a capital replacement contractor to the Company under a contract replacing the Capital Replacement Contract;

"Capital Replacement Contract Parent Company Guarantee" means the performance guarantee provided by the Capital Replacement Contract Guarantor in favour of the Company in respect of the performance of the Capital Replacement Contractor under the Capital Replacement Contract;

"Carillion L/C" means an Acceptable Letter of Credit, in a form satisfactory to FSA, securing compliance by Carillion Private Finance Limited with its remaining commitments to subscribe for Shareholder Capital in accordance with the Shareholder Support Deed;

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 3 - Particulars of all the property mortgaged or charged)

"Catalogue and Pass-Through Items Account" means the Issuer Account designated as the Catalogue and Pass-Through Items Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Change in Law Reserve Account" means the Issuer Account designated as the Change in Law Reserve Account in the name of the Company opened and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Chequing Account" means the Issuer Account designated as the Chequing Account in the name of the Company opened with a bank previously approved by the Controlling Creditor and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Client" means the Secretary of State for Foreign and Commonwealth Affairs including the government department(s) or agency(ies) (or part thereof) from time to time occupying the Site and Facilities;

"Collateral Warranties" means the Building Contract IT Sub-contractor Collateral Warranty and the Facilities Provision IT Sub-contractor Collateral Warranty;

"Confidentiality Agreement" means any agreement relating to the confidential treatment of information in respect of the Project between any person (as the context requires) and the Client substantially in the form set out in part 3 of Schedule 6 to the Project Agreement;

"Contractor" means the Building Contractor, the Building Contract IT Sub-contractor, the Facilities Provision IT Sub-contractor, the Capital Replacement Contractor and the Facilities Provision Contractor;

"Controlling Creditor" means, until the full and complete payment by the Company of all sums under the Senior Bonds, FSA (unless and until (i) such time as the Security Trustee has received notice (a copy of which shall be served on FSA) from the Senior Bond Trustee that an FSA Default has occurred and is continuing (and has not otherwise been waived or cured to the satisfaction of the Senior Bond Trustee) or (ii) notwithstanding the absence of any FSA Default, no amounts could become payable by the Company to FSA under the Finance Documents in which case, the Senior Bond Trustee) and after the full and complete payment by the Company of all sums under the Senior Bonds, the Mezzanine Bond Trustee until the full and complete payment by the Company of all sums under the Mezzanine Bonds;

"Debentures" means the Issuer Debenture and the Shareholder Debenture (and "Debenture" means either of them);

"Deed of Accession" means a deed in substantially the form set out in the Fourteenth Schedule to the Collateral Deed;

"Deposit Account" means any of the Issuer Accounts designated as a Deposit Account in the name of the Company opened with a Deposit Bank and maintained pursuant to Clause 21.1.1(b) of the Collateral Deed and a Deposit Agreement;

"Deposit Agreement" means each agreement in such form as shall be approved from time to time by the Controlling Creditor entered into from time to time between the Company and each Deposit Bank in relation to the establishment and operation of the

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 4 - Particulars of all the property mortgaged or charged)

Deposit Accounts and which shall provide that the deposit can be withdrawn by the Company if the Deposit Bank ceases to be an Acceptable Deposit Bank;

"Deposit Bank" means any bank (including the Account Bank) which has previously been approved in writing by the Controlling Creditor at which a Deposit Account is opened and maintained by the Company and in respect of which the maximum amount which at any time may be permitted to be standing to the credit of the relevant Deposit Account has been previously agreed in writing by the Controlling Creditor;

"Developer" means Alfred McAlpine Homes South West Limited;

"Enforcement Proceeds" has the same meaning as in the Security Trust Deed;

"Equity Commitment" means in relation to:

- (a) Group 4 Management Services (Holdings) Limited, £22,000;
- (b) Carillion Private Finance Limited, £22,000; and
- (c) BT Holdings Limited, £11,000;

"Escrow Account" means the Issuer Account designated as the Escrow Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Facilities" has the same meaning as in the Project Agreement;

"Facilities Provision Contract" means the agreement dated on or about 16 June 2000 between the Company and the Facilities Provision Contractor;

"Facilities Provision Contract Guarantor" means Group 4 Securititas (International) B.V. or any person (other than the issuer of the Facilities Provision Contract Performance Bond) from time to time has given a guarantee in favour of the Company of the obligations of the Facilities Provision Contractor, in each case, for so long as it remains under any actual or contingent obligation to make payments in respect of such guarantee;

"Facilities Provision Contractor" means from time to time Group 4 Management Services Limited (or any of its permitted successors or assigns) or any person at such time acting as a provider of services to the Company under any contract replacing (in whole or in part) the Facilities Provision Contract;

"Facilities Provision Contract Parent Company Guarantee" means the performance guarantee provided by the Facilities Provision Contract Guarantor in favour of the Company in respect of the performance of the Facilities Provision Contractor under the Facilities Provision Contract;

"Facilities Provision Contract Performance Bond" means the surety bond issued by ABN AMRO Bank N.V. in the amount of £11,000,000 (subject to the indexation provisions of the Facilities Provision Contract) in favour of the Company in respect of the performance of the Facilities Provision Contractor under the Facilities Provision Contract;

"Facilities Provision IT Sub-contractor" means BT as party to the IT Contract (Facilities Provision Contract);

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 5 - Particulars of all the property mortgaged or charged)

"Facilities Provision IT Sub-contractor Collateral Warranty" means the deed dated on or about 16 June 2000 between the Company, the Facilities Provision Contract and the Facilities Provision IT Sub-Contractor in respect of the IT Contract (Facilities Provision Contract);

"Fee Letters" means the fee letters for the Senior Bond Trustee, the Mezzanine Bond Trustee, the Account Bank, Abbey National and the Security Trustee;

"Final Equity Injection Date" in respect of any Initial Sponsor or Incoming Sponsor, means the earlier of the first day falling after the date on which the aggregate of such Initial Sponsor's or Incoming Sponsor's Available Equity Commitment and Available Loan Note Commitment is nil and the date on which the Phase 2 Works are completed;

"Final Offering Circular" means the final offering circular for use in connection with the issue of the Senior Bonds;

"Finance Documents" means the Senior Finance Documents and the Mezzanine Finance Documents;

"Finance Parties" means the Senior Finance Parties and the Mezzanine Finance Parties and **"Finance Party"** means any of them;

"Financial Close" means the date of notification by FSA to the Company that all conditions precedent set forth in Clause 3.2 of the Collateral Deed have been met to the satisfaction of or waived by FSA and Abbey National;

"Financial Indebtedness" means any indebtedness in respect of:

- (i) moneys borrowed or raised in the nature of borrowing (including overdrafts and, for the avoidance of doubt, excluding anything specifically excluded below); or
- (ii) any debenture, bond, loan note or loan stock, commercial paper or other similar instrument; or
- (iii) any acceptance or documentary credit, bill discounting or note purchase agreement (other than in connection with purchases of equipment in the ordinary course of business); or
- (iv) receivables sold or discounted; or
- (v) the purchase price of any asset to the extent payable after the time of sale or delivery where the deferred payment is arranged primarily as a method of raising finance or financing or refinancing the purchase of the asset acquired (other than, for the avoidance of doubt, amounts payable for the supply in the ordinary course of business, of goods and/or services provided on credit on the seller's or supplier's standard trade terms and conditions); or
- (vi) the sale price of any asset to the extent paid before the time of sale or delivery where the advance payment is arranged primarily as a method of raising finance or financing or refinancing the manufacture, assembly, acquisition or holding of the asset to be sold; or
- (vii) finance leases, credit sale or conditional sale agreements (whether in respect of land, buildings, plant, machinery, equipment or otherwise) entered into primarily as

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 6 - Particulars of all the property mortgaged or charged)

a method of raising finance or financing or refinancing the acquisition of the relevant asset (but not including liabilities under operating leases and amounts payable for the supply, in the ordinary course of business, of goods and/or services provided on credit on the seller's or supplier's standard trade terms and conditions);

- (viii) agreements entered into for the purpose of managing or hedging currency and/or interest rate risk whether by way of forward exchange, cap, collateral, swap, forward rate agreement or otherwise; or
- (ix) the amount payable under any put option or other arrangement in respect of any Financial Indebtedness described in paragraphs (i) to (viii) and (x) to (xii) (inclusive) of this definition; or
- (x) the amount payable in respect of the redemption or purchase of any share capital or other securities; or
- (xi) any Third Party Guarantee; or
- (xii) amounts raised under any other transaction (except as expressly excluded above) having the commercial effect of a borrowing,

and so that where the amount of Financial Indebtedness falls to be calculated no amount should be taken into account more than once in the same calculation;

"FSA Bond Policy" means the financial guaranty insurance policy and the endorsement thereto in respect of the Senior Bonds pursuant to which FSA will guarantee scheduled payments of principal and interest in respect of the Senior Bonds;

"FSA Default" has the meaning as in the Seventh Schedule of the Collateral Deed;

"Funders' Building Contract Direct Agreement" means the agreement dated on or about 16 June 2000 entered into between the Company, the Building Contractor, the Building Contractor Guarantor and the Security Trustee in relation to the Building Contract;

"Funders' Capital Replacement Contract Direct Agreement" means the agreement dated on or about 16 June 2000 entered into between the Company, the Capital Replacement Contractor, the Capital Replacement Contractor Guarantor and the Security Trustee in relation to the Capital Replacement Contract;

"Funders' Direct Agreements" means the Funders' Project Agreement Direct Agreement, the Funders' Building Contract Direct Agreement, the Funders' Facilities Provision Contract Direct Agreement and the Funders' Capital Replacement Contract Direct Agreement;

"Funders' Facilities Provision Contract Direct Agreement" means the agreement dated on or about 16 June 2000 entered into between the Company, the Facilities Provision Contractor, the Facilities Provision Contract Guarantor and the Security Trustee in relation to the Facilities Provision Contract;

"Funders' Project Agreement Direct Agreement" means the agreement dated on or about 16 June 2000 entered into between the Company, the Client and the Security Trustee in relation to the Project Agreement;

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 7 - Particulars of all the property mortgaged or charged)

"Group 4 L/C" means an Acceptable Letter of Credit, in a form satisfactory to FSA, securing compliance by Group 4 Management Services Holdings Limited with its remaining commitments to subscribe for Shareholder Capital in accordance with the Shareholder Support Deed;

"HoldCo Loan Notes" means the subordinated unsecured loan notes to be issued by the Shareholder and subscribed for by the Initial Sponsors pursuant to the Shareholder Support Deed;

"Incoming Sponsor" means any person to whom an Initial Sponsor or any other Sponsor has transferred its interest in any Shareholder Capital in accordance with Clause 12.5 of the Collateral Deed and the Shareholder Support Deed;

"Indemnification Agreement" means the agreement dated on or about 16 June 2000 between, *inter alios*, the Company and FSA whereby, *inter alios*, FSA agrees to indemnify the Company in respect of certain matters relating to the Final Offering Circular;

"Initial Sponsor" means any of Group 4 Management Services Holdings Limited (Registered Number 347991), Carillion Private Finance Limited (Registered Number 2997859) and BT (Holdings) Limited (Registered Number 2216773);

"Insurance and Indemnity Agreement" means the agreement dated on or about 16 June 2000 whereby the Company agrees, *inter alia*, to indemnify FSA for any payments made by FSA under the FSA Bond Policy;

"Insurance Proceeds Account" means the Issuer Account designated as the Insurance Proceeds Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.15 of the Collateral Deed;

"Insurance Proceeds Trust Account" means the Issuer Account designated as the Insurance Proceeds Trust Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 5 of the Collateral Deed;

"Issuer Accounts" means each of the Escrow Account, the Operating Account, the Senior Debt Service Payment Account, the Senior Debt Service Reserve Account, the Senior Supplemental Reserve Account, the Senior Defeasance Account, the Mezzanine Debt Service Payment Account, the Mezzanine Debt Service Reserve Account, the Mezzanine Supplemental Reserve Account, the Mezzanine Defeasance Account, the Maintenance Reserve Account, the Tax Reserve Account, the Insurance Proceeds Account, the Insurance Proceeds Trust Account, the Change in Law Reserve Account, the Deposit Accounts, the Issuer Distribution Suspense Account, the Land Sales Proceeds Account, the MRA Funding Test Reserve Account and the Chequing Account, the Catalogue and Pass-Through Items Account and such other account as may be opened by the Company with the Account Bank with the consent of the Controlling Creditor or with such other bank or banks as the Security Trustee and the Controlling Creditor shall have previously agreed with the Company and **"Issuer Account"** means any of them;

"Issuer Debenture" means the debenture dated 22 June 2000 issued by the Company in favour of the Security Trustee as security for the Secured Liabilities;

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 8 - Particulars of all the property mortgaged or charged)

"Issuer Distribution Suspense Account" means the account designated as the Issuer Distribution Suspense Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Issuer Subordinated Debt" means the subordinated unsecured loan to be made by the Shareholder to the Company pursuant to the Issuer Subordinated Loan Agreement;

"Issuer Subordinated Loan Agreement" means the subordinated loan agreement dated 16 June 2000 between the Company, the Shareholder and the Security Trustee;

"IT Contract (Building Contract)" has the same meaning as in the Project Agreement;

"IT Contract (Facilities Provision Contract)" has the same meaning as in the Project Agreement;

"Junior Liabilities" means all present and future sums, liabilities and obligations (actual or contingent) payable, owing, due or incurred by the Company to (i) the Shareholder in respect of or in connection with the Issuer Subordinated Loan Agreement or other Financial Indebtedness, and/or (ii) the Swap Counterparty in respect of or in connection with the Swap Agreement or other Financial Indebtedness or by the Shareholder to the Sponsors in connection with the Shareholder Support Deed, the HoldCo Loan Notes or other Financial Indebtedness together with in each case:

- (a) any refinancing, novation, refunding, deferral or extension of any of those sums, liabilities and obligations;
- (a) any claim for damages or restitution in the event of rescission of any of those liabilities;
- (b) any claim against the Company flowing from any recovery by the Company of a payment or discharge in respect of those liabilities on grounds of preference or otherwise; and,

any amounts (such as post-insolvency interest) which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings

"Land Sales Proceeds Account" means the Issuer Account designated as the Land Sales Proceeds Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Loan Note Commitment" means in relation to:

- (a) Group 4 Management Services Holdings Limited, £9,019,111;
- (b) Carillion Private Finance Limited, £9,019,111; and
- (c) BT Holdings Limited, £4,509,556;

"Maintenance Reserve Account" or "MRA" means the Issuer Account designated as the Maintenance Reserve Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Manager" means Deutsche Bank AG London;

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 9 - Particulars of all the property mortgaged or charged)

"Mezzanine Bonds" has the meaning given to the term "Notes" in the Mezzanine Bond Trust Deed;

"Mezzanine Bond Trust Deed" means the trust deed dated 22 June 2000 made between the Company and the Mezzanine Bond Trustee;

"Mezzanine Debt Service Payment Account" means the Issuer Account designated as the Mezzanine Debt Service Payment Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Mezzanine Debt Service Reserve Account" or "Mezzanine DSRA" means the Issuer Account designated as the Mezzanine Debt Service Reserve Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Mezzanine Defeasance Account" means the account designated as the Mezzanine Defeasance Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Mezzanine Finance Documents" means the Mezzanine Subscription Agreement, the Mezzanine Bond Trust Deed, the Mezzanine Paying Agency Agreement, the Mezzanine Bonds, the Security Documents, the Shareholder Support Deed, the Fee Letter of the Mezzanine Bond Trustee, the Collateral Deed, the Issuer Subordinated Loan Agreement, the HoldCo Loan Notes, the Funders' Direct Agreements, the Account Bank Agreement, the Building Contract Performance Bond, the Building Contractor Parent Company Guarantee, the Building Contract IT Sub-Contract Collateral Warranty, the Capital Replacement Contract Parent Company Guarantee, the Facilities Provision Contract Performance Bond, the Facilities Provision Contract Parent Company Guarantee, the BT Guarantee, the Carillon L/C, the Group 4 L/C, the Deposit Agreements, the Facilities Provision IT Sub-Contractor Collateral Warranty and the Surplus Plot Sale Bonds, the Confidentiality Agreements and any other document as may from time to time be agreed between the Mezzanine Bond Trustee and the Company to be a Mezzanine Finance Document;

"Mezzanine Finance Parties" means the Security Trustee, the Mezzanine Bondholders and the Mezzanine Bond Trustee;

"Mezzanine Liabilities" means all present and future sums, liabilities and obligations (actual or contingent) payable, owing, due or incurred by the Company to the Mezzanine Finance Parties under, in respect of or in connection with the Mezzanine Finance Documents, together with:

- (i) any refinancing, novation, refunding, deferral or extension of any of those sums, liabilities and obligations;
- (ii) any claim for damages or restitution in the event of rescission of any of those liabilities;
- (iii) any claim against the Company flowing from any recovery by the Company of a payment or discharge in respect of those liabilities on grounds of preference or otherwise; and

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 10 - Particulars of all the property mortgaged or charged)

- (iv) any amounts (such as post-insolvency interest) which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings; **"Mezzanine Paying Agency Agreement"** has the meaning given to the term "Paying Agency Agreement" in the Mezzanine Bond Trust Deed;

"Mezzanine Reserve Accounts" means the Mezzanine Debt Service Reserve Account and the Mezzanine Supplemental Reserve Account;

"Mezzanine Subscription Agreement" means the agreement dated 16 June 2000 made between the Company and Abbey National in respect of the Mezzanine Bonds;

"Mezzanine Supplemental Reserve Account" means the Issuer Account designated as the Mezzanine Supplemental Reserve Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Mitigation of Loss Agreements" means each of the agreements in respect of each of the Surplus Plots other than Oakley (Two) to be entered into between the Company and the Environment Secretary to govern the marketing and sale of those Surplus Plots in certain circumstances outside the terms of the Surplus Plot Sale Agreements and Surplus Plot Sub-Sale Agreements;

"MRA Funding Test Reserve Account" means the Issuer Account designated as the MRA Funding Test Reserve Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Obligor" means each Sponsor, the Shareholder and the Company or any of them;

"Offering Circulars" means the Final Offering Circular and the Preliminary Offering Circular and references to "Offering Circular" shall be construed as references to either of them;

"Operating Account" means the Issuer Account designated as the Operating Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Parent Company Guarantee" means each of the Building Contractor Parent Company Guarantee, the Capital Replacement Contract Parent Company Guarantee, and the Facilities Provision Contract Parent Company Guarantee;

"Paying Agency Agreement" means the Senior Paying Agency Agreement or the Mezzanine Paying Agency Agreement, as the context requires;

"Performance Bond" means each of the Building Contract Performance Bond, the Facilities Provision Contract Performance Bond and any Surplus Plot Sale Bond;

"Preliminary Offering Circular" means the preliminary offering circular prepared in relation to the Senior Bonds;

"Premium Letter" means the side letter between FSA and the Company dated 22 June 2000 in respect of the Premium and other amounts payable by the Company in consideration of the issuance of the FSA Bond Policy;

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 11 - Particulars of all the property mortgaged or charged)

"Project" has the same meaning as in the Project Agreement;

"Project Agreement" means the agreement dated 13th June 2000 between the Company and the Client for the construction and operation of the Project;

"Qualifying L/C Bank" means any bank which is an authorised institution (for the purpose of the Banking Act 1987) and whose long-term debt is rated at least AA- by S&P or Aa3 by Moody's, or is a bank of equivalent standing approved by the Controlling Creditor;

"Secured Liabilities" means all moneys, liabilities and obligations which may be due, owing or payable by the Company and/or the Shareholder, actually or contingently, as principal or as surety on any account, pursuant to the Finance Documents;

"Security" means the encumbrances created or contemplated by the Security Documents;

"Security Documents" means:

- (i) the Issuer Debenture;
- (ii) the Shareholder Debenture;
- (iii) the Security Trust Deed;
- (iv) any other document from time to time executed in favour of the Security Trustee for the purpose of securing all or any of the Secured Liabilities; and
- (v) any other document or agreement entered into pursuant to, or contemplated in, any of the foregoing, including all notices and acknowledgements of assignment;

"Security Trust Deed" means the security trust deed dated 22 June 2000 between the Company, the Shareholder and the Security Trustee pursuant to which the Security Trustee agrees to hold on trust the Security;

"Senior Bondholder" means each person who is for the time being a holder of one or more Senior Bonds for the purposes of the Senior Bond Trust Deed and **"Senior Bondholders"** means all such persons;

"Senior Bonds" has the meaning given to the term **"Bonds"** in the Senior Bond Trust Deed;

"Senior Bond Subscription Agreement" means the agreement dated 16 June 2000 made between, amongst others, the Company and the Managers in respect of the Senior Bonds;

"Senior Bond Trust Deed" means the trust deed dated 22 June 2000 made amongst the Company, the Senior Bond Trustee and FSA;

"Senior Debt Service Payment Account" means the Issuer Account designated as the Senior Debt Service Payment Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Senior Debt Service Reserve Account" or **"Senior DSRA"** means the Issuer Account designated as the Senior Debt Service Reserve Account in the name of the Company

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 12 - Particulars of all the property mortgaged or charged)

opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Senior Defeasance Account" means the account designated as the Senior Defeasance Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Senior Finance Documents" means the Collateral Deed, the Senior Bond Trust Deed, the Offering Circular, the FSA Bond Policy, the Senior Paying Agency Agreement, the Senior Bond Subscription Agreement, the Senior Bonds, the Premium Letter, the Fee Letters, the Shareholder Support Deed, the Issuer Subordinated Loan Agreement, the HoldCo Loan Notes, the Insurance and Indemnity Agreement, the Indemnification Agreement, the Funders' Direct Agreements, the Account Bank Agreement, the Security Documents, the Building Contract Performance Bond, the Building Contractor Parent Company Guarantee, the Building Contract IT Sub-contract Collateral Warranty, the Capital Replacement Contract Parent Company Guarantee, the Facilities Provision Contract Performance Bond, the Facilities Provision Contract Parent Company Guarantee, the BT Guarantee, the Carillion L/C, the Group 4 L/C, the Mitigation of Loss Agreements, the Deposit Agreements, the Swap Agreement, the Swap Deposit Agreement, the Supplemental Surplus Plot Agreements, the Confidentiality Agreements, the Facilities Provision IT Sub-contractor Collateral Warranty and the Surplus Plot Sale Bonds and any other document as may from time to time be agreed between the Controlling Creditor and the Company to be a Senior Finance Document;

"Senior Finance Parties" means FSA, the Security Trustee, the Senior Bondholders and the Senior Bond Trustee;

"Senior Liabilities" means all present and future sums, liabilities and obligations (actual or contingent) payable, owing, due or incurred by the Company or the Shareholder to the Senior Finance Parties under, in respect of or in connection with the Finance Documents, together with:

- (a) any refinancing, novation, refunding, deferral or extension of any of those sums, liabilities and obligations;
- (b) any claim for damages or restitution in the event of rescission of any of those liabilities;
- (c) any claim against the Company or the Shareholder flowing from any recovery by the Company or the Shareholder of a payment or discharge in respect of those liabilities on grounds of preference or otherwise; and
- (d) any amounts (such as post-insolvency interest) which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings.

"Senior Paying Agency Agreement" has the meaning given to the term **"Paying Agency Agreement"** in the Senior Bond Trust Deed;

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 13 - Particulars of all the property mortgaged or charged)

"Senior Supplemental Reserve Account" means the Issuer Account designated as the Senior Supplemental Reserve Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Shareholder Accounts" means the Shareholder Distribution Suspense Account and such other accounts as may be opened by the Shareholder with the Account Bank with the consent of the Controlling Creditor or such other bank or bankers as the Security Trustee and the Controlling Creditor shall previously have agreed with the Company and

"Shareholder Account" means any of them;

"Shareholder Capital" means the issued share capital of the Company, the issued share capital of the Shareholder, the Issuer Subordinated Debt and the HoldCo Loan Notes;

"Shareholder Debenture" means the debenture dated 22 June 2000 issued by the Shareholder in favour of the Security Trustee as security for the Secured Liabilities;

"Shareholder Distribution Suspense Account" means the account designated as the Shareholder Distribution Suspense Account in the name of the Shareholder opened with the Account Bank and maintained pursuant to Clause 21.1.2 of the Collateral Deed;

"Shareholder Support Deed" means the shareholder support deed dated 16 June 2000 between the Company, the Shareholder, the Initial Sponsors, the Security Trustee, the Senior Bond Trustee, the Mezzanine Bond Trustee and FSA;

"Site" has the same meaning as in the Project Agreement;

"S&P" means Standard and Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc.;

"Sponsor" means each of the Initial Sponsors and any Incoming Sponsor;

"Subordinated Creditors" means (A) the Mezzanine Finance Parties (B) the Shareholder (C) each Sponsor in its capacity as a subscriber of HoldCo Loan Notes and (D) the Swap Counterparty together with any other creditor (a) which acquires an interest in any Mezzanine Liabilities or Junior Liabilities as the case may be in accordance with the terms of the Collateral Deed or (b) to whom the Company incurs liabilities with the consent of the Controlling Creditor, in each case on the basis that such creditor (i) is to be a Subordinated Creditor and (ii) executes a Deed of Accession and, if appropriate, a Transfer Deed.

"Subordinated Documents" means:

- (a) the Mezzanine Finance Documents;
- (b) the Issuer Subordinated Loan Agreement;
- (c) the HoldCo Loan Notes;
- (d) the Shareholder Support Deed;
- (e) the Swap Agreement; and
- (f) the Swap Deposit Agreement.

"Subordinated Liabilities" means the Mezzanine Liabilities and the Junior Liabilities.

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 14 - Particulars of all the property mortgaged or charged)

"Supplemental Surplus Plot Agreements" means each of the agreements to be entered into between the Company and the Environmental Secretary supplemental to the Surplus Plot Sale Agreements and between the Company and Alfred McAlpine Homes South West Limited and Alfred McAlpine Homes Limited supplemental to the Surplus Plot Sub-Sale Agreements to govern the extension of the term of such agreements in certain circumstances ;

"Surplus Plot Agreements" means the Surplus Plot Sale Agreements and the Surplus Plot Sub-Sale Agreements, the Mitigation of Loss Agreement and the Supplemental Surplus Plot Agreements;

"Surplus Plot Sale Bonds" means the surety bonds issued by New Hampshire Insurance Company in favour of the Company in respect of the performance of the Developer's obligations under the Surplus Plot Sub-Sale Agreements;

"Surplus Plot Sub-Sale Agreements" has the same meaning as in the Project Agreement;

"Surplus Plots" has the same meaning as in the Project Agreement;

"Swap Deposit Account " means the Issuer Account maintained by the Company with the Swap Counterparty in relation to the Swap Agreement;

"Swap Deposit Agreement " means the agreement in the form approved by the Controlling Creditor, dated on or about the date of Financial Close between the Company and the Swap Counterparty in relation to the establishment and operation of the Swap Deposit Account;

"Swap Agreement" means the 1992 Multicurrency-Cross Border ISDA Master Agreement and Schedule, and related Confirmation (as defined therein) entered into on or around 16 June 2000 between the Company and the Swap Counterparty in respect of an interest rate swap;

"Swap Counterparty" means Bank of America, N.A., 1 Alie Street, London E1 8DE;

"Tax Reserve Account" or "TRA" means the Issuer Account designated as the Tax Reserve Account in the name of the Company opened with the Account Bank and maintained pursuant to Clause 21.1.1 of the Collateral Deed;

"Third Party Guarantee" means any guarantee, indemnity or other assurance against financial loss (*whether actual or contingent, future or present*) given in respect of the Financial Indebtedness of another person;

"Transfer Deed" has the meaning given to that term in the Shareholder Support Deed.

2 Short Particulars of all the property mortgaged or charged

2.1 Pursuant to the Seventh Schedule of the Collateral Deed, the Company subordinates its rights to the following sums:

2.1.1 any payments, distributions (whether by way of set-off or otherwise) of any kind or character whether before or after any winding-up or liquidation of the Company not

Integrated Accommodation Services plc

(Company Number 3824397)

(Form 395 - Continuation Sheet No. 15 - Particulars of all the property mortgaged or charged)

permitted by paragraphs 3 (Ranking) or 4 (Application of Proceeds) of the Seventh Schedule to the Collateral Deed;

- 2.1.2 all money received by each Subordinated Creditor in respect of any proof for the whole or any part of its claim in respect of the Junior Liabilities and the Mezzanine Liabilities in the liquidation of the Company;
- 2.1.3 all amounts payable under the Subordinated Documents or Senior Finance Documents by the Company or the Shareholder in respect of the Senior Liabilities and the Subordinated Liabilities, all Enforcement Proceeds and any payment or distribution of any kind or character, whether in cash, securities or other property which is payable or deliverable on or with respect to the Senior Liabilities, the Mezzanine Liabilities or the Junior Liabilities or any part thereof by any Obligor or its estate or any liquidator, receiver or like officer consequent upon its winding-up; and
- 2.1.4 following the Company or the Shareholder going into liquidation or becoming subject to any insolvency or rehabilitation proceeding, administration or voluntary arrangements, any amount received by a Junior Creditor in respect of any payment or distribution of any kind or character and all and any rights in respect thereof, whether in cash, securities or other property which is payable or deliverable upon or with respect to the Junior Liabilities (other than in respect of any payments made out of moneys standing to the credit of the Issuer Distribution Suspense Account or the Shareholder Distribution Suspense Account or in respect of any payments made out of moneys standing to the credit of the Swap Deposit Account up to the level of the breakage costs then incurred by the Swap Counterparty by virtue of the termination of the Swap Agreement) and the Mezzanine Liabilities (other than in respect of any payments made out of moneys standing to the credit of the Mezzanine Reserve Accounts or the Mezzanine Defeasance Account) or any part thereof by the liquidator, administrator, administrative receiver or receiver (or the equivalent thereof) of the Company or the Shareholder or its estate.

LINKLATERS

LINKLATERS
& ALLIANCE

One Silk Street London EC2Y 8HQ

Telephone: (44-20) 7456 2000

Facsimile: (44-20) 7456 2222

Group 4 FAX: (44-20) 7374 9318

DX Box Number 10 CDE

Direct line 020 7456 4442

Direct fax 020 7456 2222

e-mail kerry.pettigrew@linklaters.com

5 July 2000

Our ref KXP

Your ref

Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

REGISTERED MAIL

Dear Sir

Integrated Accommodation Services plc (Registered No. 3824397) (the "Company")

We enclose an original copy of a Collateral Deed (the "Collateral Deed") dated 16 June 2000 between the Company and certain other parties for registration, together with the requisite Form M395. The Company agrees pursuant to the Collateral Deed to subordinate its interests in certain cash receipts pursuant to the subordination trust arrangements appearing in the Seventh Schedule as outlined in the form M395. The arrangements are in the nature of a fixed charge over book debts and accordingly in our opinion are registrable in accordance with the Companies Act 1985.

We should be grateful if you would acknowledge receipt of the enclosed documents by stamping and returning to us the enclosed copy of this letter. We look forward to receiving the Certificate of Registration of a Charge shortly.

Yours faithfully

Linklaters

A00778318/0.1/04 Jul 2000

A list of the names of the partners and their professional qualifications is open to inspection at the above office.
The partners are either solicitors or registered foreign lawyers.

The member firms of Linklaters & Alliance are: Linklaters; De Bandt, van Hecke, Lagae & Loesch; De Brauw Blackstone Westbroek; Gianni, Origoni & Partners; Lagerlöf & Leman; Oppenhoff & Rädler; with offices in: Alicante Amsterdam Antwerp Bangkok Berlin Bratislava Brussels Bucharest Budapest Cologne Frankfurt Gothenburg The Hague Hong Kong Leipzig London Luxembourg Madrid Malmö Milan Moscow Munich New York Paris Prague Rome Rotterdam São Paulo Shanghai Singapore St. Petersburg Stockholm Tokyo Warsaw Washington DC.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03824397

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A COLLATERAL DEED BETWEEN THE COMPANY, ACCOMMODATION SERVICES (HOLDINGS) LIMITED (THE "SHAREHOLDER"), FINANCIAL SECURITY ASSURANCE (U.K.) LIMITED ("FSA") AND THE CHARGE DATED THE 16th JUNE 2000 AND CREATED BY INTEGRATED ACCOMMODATION SERVICES PLC FOR SECURING THE PAYMENT BY THE COMPANY AND THE SHAREHOLDER (AS APPROPRIATE) OF THE SENIOR LIABILITIES, THE MEZZANINE LIABILITIES AND THE JUNIOR LIABILITIES TO BANKERS TRUSTEE COMPANY LIMITED (AS SECURITY TRUSTEE, SENIOR BOND TRUSTEE AND MEZZANINE BOND TRUSTEE). UNDER THE TERMS OF THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 6th JULY 2000.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 12th JULY 2000.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



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

f. faw