

MG01

105958 / 13



Particulars of a mortgage or charge

A fee is payable with this form

We will not accept this form unless you send the correct fee
Please see 'How to pay' on the last page



What this form is for

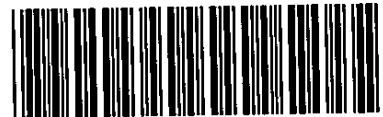
You may use this form to register
particulars of a mortgage or charge
in England and Wales or Northern
Ireland



What this form is NOT for

You cannot use this form to
register particulars of a charge for a
company. To do this, please use
form MG01s

FRIDAY



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LD5

01/07/2011

18

COMPANIES HOUSE

1

Company details

Company number

04139738

Company name in full

Sapphire (Burnley) Nominee Limited

8

For official use

Filling in this form

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2

Date of creation of charge

Date of creation

d1 d6 m0 m6 y2 y0 y1 y1

3

Description

Please give a description of the instrument (if any) creating or evidencing the
charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'

Description

Subordination Agreement dated 16 June 2011 (the "**Subordination Agreement**") between amongst others, Sapphire (Burnley) Nominee Limited and Sapphire (Harlow) Nominee Limited as Obligors, Sapphire (Burnley) Nominee Limited and Sapphire (Harlow) Nominee Limited as Original Junior Creditors, and Deutsche Pfandbriefbank AG as agent and security trustee for the Finance Parties under, and as defined in, the Facility Agreement (the "**Agent**")

4

Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured

All present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by an Obligor or by some other person) of each Obligor to the Finance Parties (or any of them) under each of the Finance Documents (the "**Senior Liabilities**")

Continuation page

Please use a continuation page if
you need to enter more details

MG01**Particulars of a mortgage or charge****5 Mortgagee(s) or person(s) entitled to the charge (if any)**

Please give the name and address of the mortgagee(s) or person(s) entitled to the charge

Continuation page

Please use a continuation page if you need to enter more details

Name Deutsche Pfandbriefbank AG, London Branch

Address 21st Floor, 30 St Mary Axe

London

Postcode E C 3 A 8 B F

Name

Address

Postcode

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Continuation page

Please use a continuation page if you need to enter more details

Short particulars See attached continuation page

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Particulars as to commission, allowance or discount (if any)

Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his

- subscribing or agreeing to subscribe, whether absolutely or conditionally, or
- procuring or agreeing to procure subscriptions, whether absolute or conditional,

for any debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered

Commission, allowance or discount

None.

8

Delivery of instrument

You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860). If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 870).

We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 866). The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it. Where a body corporate gives the verification, an officer of that body must sign it. We will also accept a verified copy where section 867(2) applies (property situated in another part of UK).

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Signature

Please sign the form here

Signature

Signature

X Clifford Chance LLP

X

This form must be signed by a person with an interest in the registration of the charge

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Particulars of a mortgage or charge



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form and will establish where we return the original documents. The contact information you give will be visible to searchers of the public record.

Contact name Francesca Baker

Company name Clifford Chance LLP

Address 10 Upper Bank Street

Post town London

County/Region

Postcode

E	1	4		5	J	J
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Country

DX

Telephone 020 7006 4154



Certificate

We will send your certificate to the presenter's address if given above or to the Company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have included the original deed with this form
- ☐ You have entered the date the charge was created
- ☐ You have supplied the description of the instrument
- ☐ You have given details of the amount secured by the mortgagee or chargee
- ☐ You have given details of the mortgagee(s) or person(s) entitled to the charge
- ☐ You have entered the short particulars of all the property mortgaged or charged
- ☐ You have signed the form
- ☐ You have enclosed the correct fee



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below

For companies registered in England and Wales

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

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Particulars of a mortgage or charge

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

Continuation page to Form MG01 dated 29 June 2011 for Sapphire (Burnley) Nominee Limited (registered in England and Wales number 04139738) (the "Company")

1 SECURITY

1 1 Turnover by Junior Creditor

The Company as a Junior Creditor under the Subordination Agreement has undertaken to the Agent that if the Company receives or recovers:

- (a) any payment in cash or in kind, or any distribution of, or on account of or for the purchase or other acquisition of, or otherwise in relation to, any of the Junior Liabilities,
- (b) any amount by way of set-off in respect of any of the Junior Liabilities owed to it which does not give effect to a payment permitted by the Subordination Agreement, or
- (c) the proceeds of any enforcement of any Security or guarantee for any of its Junior Liabilities,

in each case, in contravention of the terms of the Subordination Agreement, the Company shall

- (i) in relation to receipts and recoveries described in paragraphs (a) and (c) above, hold an amount of that receipt or recovery equal to the amount necessary to repay in full the Senior Liabilities (or if less, the amount actually received or recovered) on trust for the Agent and promptly pay that amount to the Agent for application in or towards payment of all the Senior Liabilities,

- (ii) in relation to recoveries described in paragraph (b) above, promptly pay an amount equal to that recovery to the Agent for application in or towards payment of all the Senior Liabilities

1.2 Sums received by Obligors

If the Company receives or recovers any sum which, under the terms of any of the Finance Documents, should have been paid to the Agent, the Company will hold an amount of that receipt or recovery equal to the amount necessary to repay in full the Senior Liabilities (or if less, the amount actually received or recovered) on trust for the Agent and promptly pay that amount to the Agent for application in accordance with the terms of the Subordination Agreement

1 3 Extent of turnover trust

Under the Subordination Agreement the trusts referred to in Clause 1 1 and 1 2 shall, in each case, extend only to the amount or value of any assets received by the Company as may be necessary to repay in full the Senior Liabilities

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1 4 Insolvency turnover

In the event of

- (a) payment being made to, or Security being held by, or the benefit of any right of set-off or counterclaim being exercised by, the Company in breach of the terms of the subordination agreement; or
- (b) any payment or distribution being made to the Company by any liquidator, administrator, receiver, receiver and manager or other similar officer or person,

the Company shall

- (1) if the Company actually receives or recovers the amount discharged or purported to be discharged, hold the same upon trust for the Agent and will promptly pay the same to the Agent to be held on trust by the Agent for application in or towards payment of all the Senior Liabilities; and

if the Company does not, for any reason, actually receive or recover the amount discharged or purported to be discharged or that amount is discharged by way of set off (mandatory or otherwise), promptly pay an amount equal to that discharged, purported to be discharged or set off to the Agent to be held on trust by the Agent for application in or towards payment of all the Senior Liabilities

1 5 Ineffective Trust

If, for any reason, any of the trusts expressed to be created in this clause shall fail or be unenforceable, the Company will promptly pay an amount equal to that receipt or recovery to the Agent to be held on trust by the Agent for application in accordance with the terms of the Subordination Agreement

2. DEFINED TERMS

2 1 In this MG01 the following terms have the following meanings

"Account Pledge" means each Luxembourg law-governed pledge agreement over various Control Accounts situated in Luxembourg entered into on 16 June 2011 by certain Obligors and in favour of the Security Trustee,

"Agent" means Deutsche Pfandbriefbank AG, London Branch,

"Arranger" means Deutsche Pfandbriefbank AG, London Branch,

"Asset Manager" means Addington Capital LLP or any such other firm of chartered surveyors or similarly qualified firm of property professionals appointed by the relevant Obligor approved in writing by the Agent to act as asset manager in respect of any property (such approval not to be unreasonably withheld or delayed),

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"Assignment Agreement" means the form of assignment agreement specified in the terms of the Facility Agreement,

"Control Accounts" means each of the Capex Accounts, Deposit Accounts, Disposal Proceeds Accounts, General Accounts, and Rental Income Accounts as defined in the Facility Agreement,

"Counterparty" means Deutsche Pfandbriefbank AG,;

"Debenture" means the debenture and floating charge dated 16 June 2011 between the Chargors as defined therein and the Security Trustee,

"Default" means an Event of Default or any event or circumstance specified in the terms of the Facility Agreement which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default,

"Duty of Care Agreement" means each of the following agreements dated 16 June 2011

- (a) duty of care agreement between Sapphire (Harlow) Nominee Limited, Savills Commercial Limited and the Security Trustee,
- (b) duty of care agreement between Sapphire QAC Holding S.e.n.c, Sapphire (Burnley) Nominee Limited, Jones Lang LaSalle and the Agent,
- (c) duty of care agreement between the Borrowers, Addington Capital LLP and the Security Trustee

"Event of Default" means any event or circumstance specified in the Facility Agreement,

"Facility Agreement" means the Facility Agreement dated 16 June 2011 between, amongst others, the Company, Sapphire (Harlow) Nominee Limited and Sapphire QAC Holdings S.e.n.c as Borrowers, the Company, Sapphire QAC Holding S.e.n.c, Sapphire (Harlow) Nominee Limited, Sapphire Holding Ltd and Sapphire QAC Ltd as the Guarantors, Deutsche Pfandbriefbank AG, London Branch as the Arranger, the Agent and Security Trustee, the Lenders and the Counterparty;

"Fee Letter" means any letter or letters between the Arranger, the Agent, the Security Trustee and the Borrowers setting out any of the fees referred to in the terms of the Facility Agreement,

"Finance Document" means each of

- (a) the Facility Agreement;
- (b) the Security Documents (being the Debenture and the Legal Charge, the Partnership Interest Pledge, each Account Pledge, the Receivables Pledge, the Pledge Over Undrawn Commitments, the Account Charge, each Shares Charge and any other document

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entered into by any Obligor or any other person creating or expressed to create any Security over all or any part of its assets in respect of the Secured Obligations),

- (c) the Relevant Liability Indemnity,
- (d) the Subordination Agreement,
- (e) each Duty of Care Agreement;
- (f) each Transfer Certificate,
- (g) each Assignment Agreement,
- (h) each Fee Letter,
- (i) each Hedge Document,
- (j) each Utilisation Request,

and any document designated as such in accordance with the terms of the Facility Agreement (each term as further defined therein),

"Finance Parties" means each of the Agent, the Arranger, the Security Trustee, the Counterparty or a Lender

"Guarantor" means each of Sapphire (Burnley) Nominee Limited, Sapphire (Harlow) Nominee Limited, Sapphire QAC Holding S e n c, Sapphire Holding Ltd and Sapphire QAC Ltd ,

"Hedge Document" means each of the documents entered into by a Borrower and the Counterparty evidencing or relating to any interest or currency swap, cap, floor, collar or option transaction or any other treasury transaction or any combination of the same or any other transaction entered into in connection with protection against or benefit from fluctuation in interest or currency rates;

"Junior Creditor" means each of EPISO Holding 15 S à r l , Sapphire QAC Holding S e n c , Sapphire (Burnley) Nominee Limited, Sapphire (Harlow) Nominee Limited, Sapphire Holding Ltd., Sapphire QAC Ltd and any company which at any time becomes a new junior creditor in accordance with the Subordination Agreement,

"Junior Liabilities" means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by the Obligors or by some other person) of each Obligor to the Junior Creditors (or any of them),

"Legal Charge" means the charge supplemental to the debenture, dated 16 June 2011 granted by the Borrowers in favour of the Security Trustee,

"Lenders" means Deutsche Pfandbriefbank AG, London Branch and any bank, financial institution, trust, fund or other entity which has become a Party as a Lender in accordance with the Facility

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Agreement;

"Obligor" means each of the Company, Sapphire (Harlow) Nominee Limited, Sapphire QAC Holding S e n c., Sapphire Holding Ltd and Sapphire QAC Ltd.,

"Original Junior Creditors" means each of EPISO Holding 15 S a r l, Sapphire QAC Holding S e n c, Sapphire (Bunrley) Nominee Limited, Sapphire (Harlow) Nominee Limited, Sapphire Holding Ltd and Sapphire QAC Ltd ,

"Partnership Interest Pledge" means the Luxembourg law governer pledge over partnership interests dated 17 June 2011 between Sapphire QAC Holding S e n c, Sapphire Holding Ltd , Sapphire QAC Ltd and the Security Trustee,

"Pledge over Undrawn Commitments" means the Luxembourg law governed pledge over undrawn capital commitments dated 16 June 2011 between Sapphire QAC S e n.c, Sapphire Holding Ltd , Sapphire QAC Ltd and the Security Trustee,

"Receivables Pledge" means the Luxembourg law governed pledge agreement over various inter-company loan agreements entered into on 16 June 2011 between EPISO Holding 15 S a r l and the Security Trustee,

"Relevant Liability Indemnity" means the indemnity dated 16 June 2011 between European Property Investors Special Opportunities L P and each Obligor in favour of the Agent and the Security Trustee dated 16 June 2011,

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by an Obligor or by some other person) of each Obligor to the Finance Parties (or any of them) under each of the Finance Documents

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect,

"Security Trustee" means Deutsche Pfandbriefbank AG, London Branch,

"Senior Liabilities" means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by an Obligor or by some other person) of each Obligor to the Finance Parties (or any of them) under each of the Finance Documents,

"Shares Charge" means each of:

(a) the Isle of Man law-governed shares charges entered into on 16 June 2011 by EPISO Holding 15 S a r l and Sapphire Holding Ltd

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respectively and in favour of the Security Trustee; and

(b) the English law-governed shares charge entered into on 16 June 2011 by EPISO Holding 15 S a r l and in favour of the Security Trustee

"Subordination Agreement" means the subordination agreement entered into between the Obligors, the Junior Creditors and the Agent, dated 16 June 2011;

"Subordination Period" means the period beginning on the date of the Subordination Agreement and ending on the date on which the Agent (acting reasonably if no Default is continuing) is satisfied that the Senior Liabilities have irrevocably been paid or discharged in full,

"Transfer Certificate" means a certificate set out in the form specified in the Facility Agreement, and

"Utilisation Request" means the request in the form specified in the terms of the Facility Agreement from the Borrowers to the Agent dated 17 June 2011.

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3 ADDITIONAL INFORMATION

The Company as a Junior Creditor under the Subordination Agreement has undertaken to the Agent

3 1 that, except as provided in the Subordination Agreement, the rights of the Company in respect of the Junior Liabilities are subordinated to the Senior Liabilities and accordingly payment and receipt of any amount of the Junior Liabilities is not permitted until the end of the Subordination Period

3 2 not, without the prior written consent of the Agent or as permitted by the Subordination Agreement, to.

3.2 1 make any payment (whether in respect of principal, interest or otherwise) on account of all or any of the Junior Liabilities (whether by way of cash, loan or otherwise),

3.2 2 redeem, purchase or otherwise acquire, or grant Security in respect of, all or any of the Junior Liabilities;

3.2 3 take, or permit to be taken, any action or step with a view to the winding-up, receivership or administration of an Obligor,

3.2 4 pay, repay or prepay any interest, default interest, fees or commissions (but without prejudice to the accrual thereof) on, or by reference to, all or any of the Junior Liabilities,

3.2 5 take or omit to take any action or step whereby the subordination of all or any of the Junior Liabilities might be terminated, impaired or adversely affected,

3.2 6 receive any payment (whether in respect of principal, interest or otherwise) made by any Obligor of all or any of the Junior Liabilities (whether by way of cash, loan or otherwise),

3 2 7 assign, transfer or otherwise dispose of, or make demand for or accept Security in respect of, all or any of the Junior Liabilities or all or any rights which it may have against any Obligor in respect of all or any part of the Junior Liabilities,

3 2 8 take, or permit to be taken, any action or step to commence or continue any proceedings against any Obligor, or take any action in respect of, all or any of the Junior Liabilities (including, without limitation, the exercise of any right of set-off, counterclaim or lien),

3 2 9 take, or permit to be taken, any action or step with a view to the winding-up, receivership or administration of any Obligor, or

3 2 10 take or omit to take any action or step whereby the

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subordination of all or any of the Junior Liabilities might be
terminated, impaired or adversely affected



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 869(5) & (6) of the Companies Act 2006

**COMPANY NO. 4139738
CHARGE NO. 8**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A SUBORDINATION AGREEMENT
DATED 16 JUNE 2011 AND CREATED BY SAPPHIRE (BURNLEY)
NOMINEE LIMITED FOR SECURING ALL MONIES DUE OR TO
BECOME DUE FROM EACH OBLIGOR TO THE FINANCE
PARTIES (OR ANY OF THEM) ON ANY ACCOUNT
WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED
INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS
REGISTERED PURSUANT TO CHAPTER 1 PART 25 OF THE
COMPANIES ACT 2006 ON THE 1 JULY 2011

GIVEN AT COMPANIES HOUSE, CARDIFF THE 6 JULY 2011

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Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES