

M

COMPANIES FORM No. 395

Particulars of a mortgage or charge

RBS £120112
024437

395

Please do not
write in
this margin

Pursuant to section 395 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block letteringTo the Registrar of Companies
(Address overleaf)

For official use Company number

4253001

Name of company

* insert full name
of company

* CPPL (DURHAM) LIMITED (the "Company")

Date of creation of the charge

21 December 2001

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

DEBENTURE (the "Charge")

Amount secured by the mortgage or charge

The Secured Liabilities

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

THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND, established by Act of

Parliament, 1695 and having its head office at The Mound, Edinburgh for itself as Agent and

Security Trustee (the "Security Trustee")

Postcode EH1 1YZ

Presenter's name address and
reference (if any):Dundas & Wilson CS
Saltire Court
20 Castle Terrace
Edinburgh EH1 2EN
Ref: ADCF/SJP/BOS001.1155

For official Use

Mortgage Section

Post room

A44
COMPANIES HOUSE0709
09/01/02

Time critical reference

Short particulars of all the property mortgaged or charged

See Paper Apart

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

N/A

Signed



Date

8/1/02

On behalf of ~~[company]~~ [chargee]*

*
delete as
appropriate

The address of the Registrar of Companies is: -
Companies House, Crown Way, Cardiff CF4 3UZ

This is the Paper Apart referred to in the foregoing Companies Form 395 relative to a Debenture granted by CPPL (Durham) Limited to The Governor and Company of the Bank of Scotland dated 21 December 2001

(1) The Company as security for the payment of all Secured Liabilities, charges in favour of the Security Trustee (for itself and as security trustee for the Finance Parties):

(a) by way of first legal mortgage, all of its legal and/or beneficial interest (as set out in Schedule 2 of the Charge) in and to the Properties.

(b) by way of first fixed charge:

(i) (to the extent the same are not the subject of an effective mortgage under Clause 3(1)(a)) all present and future estates or interests in any freehold or leasehold property now or in the future belonging to it and located in England or Wales;

(ii) all plant and machinery now or in the future owned by it and its interest in any such plant or machinery in its possession;

(iii) its present and future interest in all stocks, shares (other than the Group Shares), debentures, bonds, warrants, coupons and other securities and investments and all rights relative thereto;

(iv) all moneys (including interest) standing now or in the future to the credit of the Bank Account and any other account with any person and the debts represented by it;

(v) all benefits in respect of Insurances, all claims in respect thereof and return of premiums in respect of them;

(vi) (to the extent that the same do not fall within any other sub-paragraph of this paragraph (b)) all book and other debts and other moneys due, owing, payable or incurred to it now or at any time and the benefit of all rights, securities and guarantees of any nature whatsoever now or at any time enjoyed or held by it in relation thereto;

- (vii) (to the extent they are not subject to an effective assignment under Clause 3(2) of the Charge) all it's rights under the Hedging Agreements;
- (viii) (to the extent they are not subject to an effective assignment under Clause 3(2) of the Charge) all it's rights under the Occupational Leases;
- (ix) it's beneficial interest, claim or entitlement in any pension fund;
- (x) it's present and future goodwill;
- (xi) it's benefit of all present and future licences (statutory or otherwise) held or to be held in connection with its business or the use of any of the Security Assets the subject of the security pursuant to sub-clause (a) above and the right to recover and receive all compensation which may at any time become payable to it in respect thereof;
- (xii) it's present and future uncalled capital;
- (xiii) it's rights under the appointment of any managing agent of the Mortgaged Property;
- (xiv) it's rights under the agreement or agreements relating to the purchase of the Mortgaged Property by the Company;
- (xv) all knowhow licences and patents (including applications and rights to apply therefor), copyrights, rights in trademarks, service marks whether registered or not, and rights in confidential information now or at any time belonging to it;
- (xvi) all Group Shares held now or in the future by it and/or any nominee on its behalf; and
- (xvii) all its present and future beneficial interest in any pension fund.

(2) The Company assigns to the Security Trustee (for itself and as security trustee for the Finance Parties) by way of security:

- (a) all it's rights under the Occupational Leases;

- (b) all its rights under the Hedging Agreements;
 - (c) all its rights under the Asset Management Agreement; and
 - (d) all its rights under the Property Purchase Agreements.
- (3) A reference in the Charge to a charge or mortgage of any freehold or leasehold property (including, for the avoidance of doubt, but without prejudice to the foregoing generality, the Properties) includes:
- (a) all buildings and Fixtures on that property;
 - (b) the proceeds of sale of any part of that property; and
 - (c) the benefit of any covenants for title given or entered into by any predecessor in title of the Company in respect of that property or any moneys paid or payable in respect of those covenants.

4. **FLOATING CHARGE**

- (1) The Company, as security for the payment of its Secured Liabilities, charges in favour of the Security Trustee by way of a first floating charge (i) all its assets situated outwith Scotland or governed by a body of law other than Scots law and not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage or charge or assignment by Clause 3 (Fixed Charges) of the Charge, and (ii) all its assets situated in Scotland or otherwise governed by Scots law.
- (2) The Company shall not otherwise than as provided in the Facility Agreements:
- (a) create or permit to subsist any security over all or any part of the Security Assets;
 - (b) part with, sell, transfer or otherwise dispose of or agree to part with, sell, transfer or otherwise dispose of all or any part of the Security Assets.
- (3) The Security Trustee may by notice to the Company convert the floating charge created into a specific fixed charge over any assets specified in the notice if (i) an Event of Default has occurred that is continuing or (ii) any assets specified in the notice are, in the opinion of the Security Trustee (acting reasonably), in danger of being seized or sold under any form of

distress, attachment, execution or other legal process or otherwise in jeopardy; and the Security Trustee may at any time thereafter appoint a Receiver thereof.

- (4) The floating charge hereby created by the Company shall (other than in respect of any of the Security Assets situate in Scotland if and to the extent that a Receiver would not be capable of exercising his powers in Scotland in relation thereto pursuant to Section 72 of the Insolvency Act 1986 by reason of any automatic conversion) in addition to the circumstances in which the same will occur under general law automatically be converted into a fixed charge if:
- (a) a meeting of the Company is convened for the purpose of considering any resolution for (or to petition for) its winding-up or for its administration or any such resolution is passed; or
 - (b) any person presents a petition for the administration or winding-up or bankruptcy of the Company and, in the case of a winding-up petition, the petition is not discharged or stayed within 14 days.

These are the Definitions applicable to the foregoing Companies Form 395 relative to a Debenture granted by CPPL (Durham) Limited to The Governor and Company of the Bank of Scotland dated 21 December 2001

Account Bank means The Governor and Company of the Bank of Scotland acting out of its branch office at 4th Floor, New Ueberior House, 11 Earl Grey Street, Edinburgh EH3 9BW;

Asset Management Agreement has the meaning given to it in the A Facility;

Bank Account means the General Account;

Event of Default has the meaning given to it in the A Facility;

Facility Agreements means:

- (i) the Facility Agreement dated 21st December 2001 between the Original Borrower, the Original Guarantors, The Governor and Company of the Bank of Scotland as Arranger and Security Trustee and the financial institutions listed in Part II of Schedule 1 thereof as Original Lenders, relating to the provision of a term loan facility up to £63,000,000 (the "**A Facility**");
- (ii) the Facility Agreement dated 21st December 2001 between the Original Borrower, the Original Guarantors, The Governor and Company of the Bank of Scotland as Agent, Arranger and Security Trustee and the financial institutions listed in Part II of Schedule 1 thereof as Original Lenders, relating to the provision of a term loan facility up to £20,000,000 (the "**B Facility**"); and
- (iii) the Facility Agreement dated 21st December 2001 between the Original Borrower, the Original Guarantors and The Governor and Company of the Bank of Scotland as Lender relating to the provision of a bridging facility of £38,800,000 (the "**C Facility**").

and "**Facility Agreement**" means either of them.

Finance Documents means the Finance Documents, as defined in each of the A Facility, the B Facility and the C Facility;

Finance Parties means the Agent, the Arranger, a Lender, the Hedging Counterparty or the Security Trustee and **Finance Party** means any of them;

Fixtures means in relation to any freehold or leasehold property charged by or pursuant to the Charge all fixtures and fittings (including trade fixtures and fittings other than occupational tenants' fixtures and fittings) and fixed plant and machinery from time to time thereon, the property wherein is vested in the Company;

General Account means the bank account in the name of the Original Borrower maintained with the Account Bank at Sort Code 80-20-00, Account Number 00431216 or any replacement account agreed to be designated as such by the Agent and the Borrower;

Group Shares means (i) the Shares and (ii) all shares in the Subsidiaries and includes all related rights;

Hedging Agreements means each document evidencing the interest rate hedging facilities entered into or to be entered into from time to time by or between the Original Borrower, the Hedging Counterparty and, where the Hedging Counterparty is Bank of Scotland Treasury Services PLC, the counter-indemnity to be entered into by the Original Borrower in favour of The Governor and Company of the Bank of Scotland pursuant to the schedule to the ISDA master agreement;

Hedging Counterparty means Bank of Scotland Treasury Services PLC, a company incorporated in England and Wales (Registered Number 2692890) having its registered office at Bishopsgate Exchange, 7th Floor, 155 Bishopsgate, London EC2M 3UB or such other person (with a long term credit rating of at least A+ with Standard & Poors Confirmation, Aa3 with Moody's Investor Services Inc. and/or AA with Fitch) as the Security Trustee and the Original Borrower shall agree.

Insurances means all contracts and policies of insurance or indemnities which are from time to time taken out by or on behalf of the Company or (to the extent of the Company's interest) in which the Company has an interest;

Lender means a Lender, as defined in the A Facility, a Lender as defined in the B Facility and a Lender as defined in the C Facility and "**Lenders**" means all of such Lenders;

Mortgaged Property means the property hereby legally mortgaged and any other freehold or leasehold property the subject of the Charge (and shall include, for the avoidance of doubt, and without prejudice to the foregoing generality, the Properties);

Occupational Leases has the meaning given to it in the A Facility;

Original Borrower means the Original Borrower, as defined in the A Facility;

Properties means each of the Properties listed in Schedule 2 of this Deed and **Property** shall mean any of them;

Property Purchase Agreement has the meaning given to it in the A Facility;

Receiver means any one or more qualified persons appointed by the Security Trustee under Clause 18 (Receiver) of the Charge to be a receiver, administrative receiver or receiver and manager of all or any part of the Security Assets: "**qualified person**" means a person who, under the Insolvency Act 1986, is qualified to act as a receiver of the property of the Company with respect to which he is appointed or (as the case may require) an administrative receiver of such Company;

Security Assets means all assets, rights and property of the Company the subject of any security hereby created;

Secured Liabilities means, in respect of the Company, all of its present and future obligations and liabilities to the Security Trustee and each of the Finance Parties under the Charge, each of the Facility Agreements and each other Finance Document, whether actual, contingent, sole, joint and/or several or otherwise, including without limitation, all obligations to indemnify (to the extent expressly contained in a Finance Document) the Security Trustee and each of the other Finance Parties;

Security Period means the period beginning on the date hereof and ending on the date upon which all the Secured Liabilities have been irrevocably paid and discharged or, if earlier, the security hereby created has been finally released and discharged;

Shares means the entire issued share capital of each of the Subsidiaries as detailed in Schedule 9 of the Charge;

Subsidiaries means each company which is or which may become a subsidiary (within the meaning of Section 736 of the Companies Act 1985) of the Company.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04253001

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 21st DECEMBER 2001 AND CREATED BY QUAIL (DURHAM) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY FORMERLY KNOWN AS CPPL (DURHAM) LIMITED TO THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND FOR ITSELF AS AGENT AND SECURITY TRUSTEE (THE SECURITY TRUSTEE) AND ANY OTHER FINANCE PARTIES UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 9th JANUARY 2002.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 11th JANUARY 2002.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House
— for the record —

A handwritten signature in ink, appearing to be 'H. G.' or similar.