

M

COMPANIES FORM No. 395

395

CHFP021

Please do not
write in
this marginPlease complete
legibly, preferably
in black type, or
bold black lettering

Particulars of a mortgage or charge

A fee of £13 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

3

04392460

Name of company

* insert full name
of Company

* WATERFRONT GP LIMITED (the "Grantor")

Date of creation of the charge

9 March, 2006

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

Pledge and Security Agreement entered into between, among others, the Grantor and the Collateral Agent (defined below) (the "Agreement")

Amount secured by the mortgage or charge

See Appendix 1 attached.

For definitions used in this Companies Form No. 395 see Appendix 3 attached.

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

CREDIT SUISSE, Cayman Islands Branch, Eleven Madison Avenue

New York, New York 10010, as agent and trustee for itself and each of the other Secured Parties

(the "Collateral Agent")

Postcode

N/A

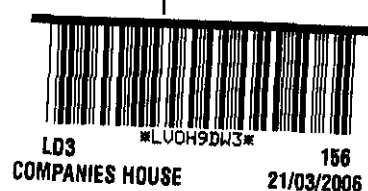
Presenter's name address and
reference (if any) :Latham & Watkins
99 Bishopsgate
London EC2M 3XF
Attn: Helen Matchwick

Time critical reference

For official Use (06/2005)

Mortgage Section

Post room



See Appendix 2 attached.

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this margin

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

Particulars as to commission allowance or discount (note 3)

NIL.

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

Signed Latham & Watkins

Date 17/3/2006

On behalf of ~~XXXXXX~~ [mortgagee/chargee]†

†delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his:
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. 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

Amount secured by the mortgage or charge (continued)

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Amount secured by the mortgage or charge:

The prompt and complete payment or performance in full when due, whether at stated maturity by requested prepayment, declaration, demand or otherwise (including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. Section 362(a) (and any successor provision thereof) of all obligations of every nature of the Grantor from time to time owed to the Agents, the Lenders or any of them or their respective Affiliates under the Loan Documents or Hedge Agreements entered into pursuant to the Credit Agreement, whether for principal, interest (including interest which, but for the filing of a petition in bankruptcy with respect to the Grantor, would have accrued on any obligation, whether or not a claim is allowed against the Grantor for such interest in the related bankruptcy proceeding) or payments for early termination of Hedge Agreements, fees, expenses, indemnification or otherwise (the "**Secured Obligations**").

Specified Securities

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Short particulars of all the property mortgaged or charged:

1. GRANT OF SECURITY

- (a) The Grantor has granted to the Collateral Agent, for the ratable benefit of the Secured Parties, a security interest and continuing lien on all of the Grantor's right, title and interest in, to and under all personal property of the Grantor including, but not limited to the following personal property of the Grantor, in each case whether now owned or existing or hereafter acquired or arising and wherever located within the United States of America (but excluding any such property located outside of the United States of America) (all of which being hereinafter collectively referred to as the "**Collateral**"), as collateral security for the prompt and complete payment or performance in full when due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. §362(a) (and any successor provision thereof)), of the Secured Obligations:

- (i) Documents;
- (ii) General Intangibles;
- (iii) Goods (including, without limitation, Documents Evidencing Goods and Software Embedded in Goods);
- (iv) Insurance;
- (v) Intellectual Property;
- (vi) Investment Related Property (including, without limitation, Deposit Accounts);
- (vii) Letter of Credit Rights and letters of credit;
- (viii) Money;
- (ix) Receivables and Receivable Records;
- (x) Commercial Tort Claims;

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- (xi) to the extent not otherwise included above, contracts (including Material Contracts), motor vehicles, choses in action and all other personal property of any kind and all Collateral Records, Collateral Support and Supporting Obligations relating to any of the foregoing; and
- (xii) to the extent not otherwise included above, all Proceeds, products, accessions, rents and profits of or in respect of any of the foregoing.

2. NEGATIVE PLEDGE

The Grantor has covenanted and agreed that except for the security interest created by the Agreement and Permitted Encumbrances, it shall not create or permit to exist any Lien upon or with respect to any of the Collateral, and the Grantor shall defend the Collateral against all Persons at any time claiming any interest therein adverse to the Collateral Agent or the Secured Parties.

3. FURTHER ASSURANCE

- (a) The Grantor has agreed that from time to time, at the expense of the Grantor, that it shall promptly Authenticate, execute and deliver all further instruments and documents, and use its commercially reasonable efforts to take all further action, that may be necessary, or that the Collateral Agent may reasonably request, in order to create and/or maintain the validity, perfection or priority (subject in the case of priority to Permitted Encumbrances) of and protect any security interest granted or purported to be granted hereby or to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, the Grantor shall:
 - (i) file in the United States of America such financing or continuation statements, or amendments thereto, and execute and deliver such other agreements, instruments, endorsements, powers of attorney or notices, as may be necessary or desirable, or as the Collateral Agent may reasonably request, in order to perfect and preserve the security interests granted or purported to be granted hereby under the laws of any State;
 - (ii) take all actions necessary to ensure the recordation of appropriate evidence of the liens and security interest granted hereunder in the Intellectual Property with any intellectual property registry in which said Intellectual Property is registered or in which an application for registration is pending including, without limitation, the United States Patent and Trademark Office, the United States Copyright Office, the various Secretaries of State; and

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- (iii) at the Collateral Agent's request, appear in and defend any action or proceeding that may affect the Grantor's title to or the Collateral Agent's security interest in all or any part of the Collateral.
- (b) The Grantor has authorised the filing of any financing statements or continuation statements, and amendments to financing statements, or any similar document in any jurisdictions and with any filing offices in the United States of America as the Collateral Agent may determine, in its sole discretion, are necessary or advisable to perfect or otherwise protect the security interest granted to the Collateral Agent herein. Such financing statements may describe the Collateral in the same manner as described in the Agreement or may contain an indication or description of collateral that describes such property in any other manner as the Collateral Agent may determine, in its sole discretion, is necessary, advisable or prudent to ensure the perfection of the security interest in the Collateral granted to the Collateral Agent herein, including, without limitation, describing such property as "all assets" or "all personal property," but excluding any excluded Collateral described in Section 2(b) of the Agreement, whether now owned or hereafter acquired. The Grantor shall furnish to the Collateral Agent from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Collateral Agent may reasonably request, all in reasonable detail.

4. CONTINUING SECURITY

The Agreement has created a continuing security interest in the Collateral and shall remain in full force and effect until the payment in full of all Secured Obligations (other than indemnity obligations and similar obligations that survive the termination of the Agreement, the other Loan Documents and the Hedge Agreements) and the cancellation or termination of the commitments, be binding upon the Grantor, its successors and assigns, and inure, together with the rights and remedies of the Collateral Agent hereunder, to the benefit of the Collateral Agent and its successors, transferees and assigns.

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Definitions:

Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and the following words when used in this Companies Form No. 395 (including these Appendices) shall have the following meanings:

- “Administrative Agent”** means Credit Suisse, Cayman Islands Branch.
- “Affiliate”** shall mean, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Person specified. For the purposes of this definition, “control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise.
- “Agents”** means, collectively, Credit Suisse, Cayman Islands Branch and Credit Suisse Securities (USA) LLC.
- “Agreement for Leases”** means that certain Agreement for Leases dated as of May 29, 2002, among The Urban Regeneration Agency (also known as English Partnerships), Meridian Delta Dome Limited, Anasco Arena Limited, Anschutz Company, The Dome Limited Partnership (n/k/a The Waterfront Limited Partnership), Quintain Meridian Limited, Permitobtain Limited, Lend Lease Europe Holdings Limited, Quintain Estates and Development Plc, and Meridian Delta Limited, as may be amended, restated, amended and restated, supplemented or otherwise Modified from time to time after the Effective Date.
- “Alternative Use Income”** means the sum (without duplication) of the net cash flow received by any member of the Borrower Group or any Permitted Subtenant relating to the development, use or operation of the Casino Site in excess of the Minimum Subtenant Rent Amount (if applicable); provided, however, that during any Fiscal Year in which a Casino is operating on the Casino Site, the Alternative Use Income in such Fiscal Year shall not exceed £1,600,000.

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"Approved Project Budget"	means that certain budget attached as <u>Exhibit I</u> to the Credit Agreement which describes the costs and expenditures the Borrowers project to incur during the course of development and construction of the Project, which budget may be updated from time to time in accordance with Section 5.3(ix) of the Credit Agreement.
"Arena"	means the concert, sports and entertainment arena with a seating capacity of approximately 23,000, and the adjacent Casino Site within The O2 situated or to be situated within the land comprised in and demised by the Arena Lease, as depicted on <u>Exhibit X</u> to the Credit Agreement.
"Arena Lease"	means that certain "Lease" dated as of June 16, 2005, between the Urban Regeneration Agency (also known as English Partnerships), Anasco Arena Limited, and the Anschutz Company, together with the Call Option Agreement relating to variation of a lease of the Arena, dated September 13, 2004, as may be amended, restated, amended and restated, supplemented or otherwise Modified from time to time after the Effective Date.
"Arena Opening Date"	means the date after Practical Completion on which the Arena is first opened to the general public for concert, sporting, entertainment or other events at the Arena at which an admission is charged.
"Assignment Agreement"	means an assignment and assumption agreement in substantially the form of <u>Exhibit II</u> attached to the Credit Agreement or in such other form as may be approved by the Administrative Agent.
"Authenticate"	shall mean "authenticate" as defined in Article 9 of the UCC.
"Borrowers"	means, together, London Arena and Waterfront Finance, LLC and Anasco UK Finance Co. Ltd. " Borrower " means, individually, the London Arena and Waterfront Finance, LLC or Anasco UK Finance Co. Ltd., as the context requires.
"Borrower Group"	means the Borrowers and the Restricted Subsidiaries.
"Borrower Party"	means, individually, any member of the Borrower Group.
"Budgeted General	means general, administrative, operating, design, development

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Expenditures	and marketing expenses associated with the Project and other Project expenses consistent with the Project Projections and provided for in the Approved Project Budget.
"Capital Leases"	means, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with US GAAP, is or should be accounted for as a capital lease on the balance sheet of that Person.
"Capital Stock"	means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including, without limitation, common stock, preferred stock, partnership interests (general and limited) and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire any of the foregoing.
"Cash"	means all monetary items treated as cash in accordance with GAAP, consistently applied.
"Casino"	means that certain casino to be developed and constructed on the Casino Site if a gaming license is received for the Casino Site.
"Casino Rights and Revenues"	means all of the rights and interests (other than real property rights and interests) of the Borrowers or any of the Restricted Subsidiaries relating solely to the Casino Site, any other agreements entered into solely in connection with the development and operation of the Casino or the Casino and the Hotel, or any payments, revenues or other proceeds derived solely therefrom.
"Casino Site"	means the elevated structure commonly referred to as the casino raft and shell, the location of which is depicted on <u>Exhibit X</u> to the Credit Agreement as the area shaded orange and purple.
"Certificate of Deposit"	shall mean "certificate of deposit" as defined in Article 3 of the UCC.
"Chattel Paper"	shall mean all "chattel paper" as defined in Article 9 of the UCC, including, without limitation, "electronic chattel paper" or

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“tangible chattel paper”, as each term is defined in the UCC.

“Collateral”

the Grantor has granted to the Collateral Agent, for the ratable benefit of the Secured Parties, a security interest and continuing lien on all of the Grantor’s right, title and interest in, to and under all personal property of the Grantor including, but not limited to the following personal property of the Grantor, in each case whether now owned or existing or hereafter acquired or arising and wherever located within the United States of America (but excluding any such property located outside of the United States of America) (all of which being collectively referred to as the **“Collateral”**).

“Collateral Documents”

shall mean the Agreement, the Pledge Agreements and all other instruments, documents and agreements delivered by any Loan Party pursuant to the Agreement or any of the other Loan Documents in order to grant, protect or perfect liens on any assets of such Loan Party as security for all or any of the Secured Obligations.

“Collateral Records”

shall mean books, records, ledger cards, files, correspondence, customer lists, blueprints, technical specifications, manuals, computer software, computer printouts, tapes, disks and other electronic storage media and related data processing software and similar items that at any time evidence or contain information relating to any of the Collateral or are otherwise necessary or helpful in the collection thereof or realization thereupon.

“Collateral Support”

shall mean all property (real or personal) assigned, hypothecated or otherwise securing any Collateral and shall include any security agreement or other agreement granting a lien or security interest in such real or personal property.

“Commercial Tort Claims”

shall means “all commercial tort claims” as defined in Article 9 of the UCC.

“Commodities Accounts”

(i) shall mean all “commodity accounts” as defined in Article 9 of the UCC and (ii) shall include, without limitation, all of the accounts listed on Schedule II of the Agreement under the heading “Commodities Accounts” (as such Schedule may be amended or supplemented from time to time). Notwithstanding the foregoing, “Commodities Accounts” shall not include any

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“commodities account” that holds only Net Cash from Excluded Assets and Investments made therewith.

“Completion Guaranty”

means the Completion Agreement executed and delivered by the Anschutz Company on the Effective Date substantially in the form of Exhibit XV to the Credit Agreement, as amended, restated, amended and restated, supplemented or otherwise Modified from time to time.

“Consolidated Capital Expenditures”

means, for any period, (i) during the Pre-Opening Period, the aggregate of all expenditures for Construction Expenses and Budgeted General Expenditures (whether paid in Cash or other consideration or accrued as a liability, but without duplication) that, in accordance with US GAAP, would be classified as capital expenditures, by the Borrowers and the Restricted Subsidiaries during that period as contemplated by the Approved Project Budget, together with any comparable items that would be classified as capital expenditures under US GAAP reflected in the consolidated statement of cash flows of the Borrowers and the Restricted Subsidiaries, and (ii) during the Post-Opening Period, the aggregate of all expenditures (whether paid in Cash or other consideration or accrued as a liability, but without duplication) that, in accordance with US GAAP, would be classified as capital expenditures.

“Consolidated EBITDA”

means, for any period, the Consolidated Net Income for such period plus, without duplication and to the extent reflected as a deduction in the statement of such Consolidated Net Income for such period, the sum of (a) income tax expense, (b) Consolidated Interest Expense, amortization or write-off of debt discount and debt issuance costs and commissions, discounts and other fees and charges associated with Indebtedness permitted under the Credit Agreement, (c) depreciation and amortization expense, (d) amortization and write-off of intangibles (including, but not limited to, goodwill) and organization costs, (e) any extraordinary non-recurring, non-operating expenses, and (f) any other non-cash charges; and minus, without duplication and to the extent included in the statement of such Consolidated Net Income for such period, the sum of (a) interest income (except to the extent deducted in determining Consolidated Interest Expense), (b) any extraordinary non-recurring, non-operating revenues and (c) any other non-cash income, all of the foregoing (except as otherwise

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provided in the definition of any term used herein) as determined on a consolidated basis in accordance with US GAAP.

“Consolidated Interest Expense” means, for any period (as determined for the Borrowers and the Restricted Subsidiaries on a consolidated basis) total interest expense (including that portion attributable to capital leases in accordance with US GAAP) payable in Cash in such period with respect to Indebtedness, including, without limitation, all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers’ acceptance financing and net costs under Hedge Agreements (excluding, however, (a) any amounts referred to in Section 2.3 of the Credit Agreement payable to Agents or the Lenders on or before the Effective Date, (b) any amortized Transaction Costs, and (c) any amounts paid by a Borrower Party to another Borrower Party with respect to inter-company Indebtedness permitted under Section 6.1 of the Credit Agreement).

“Consolidated Net Income” means, for any period, the consolidated net income (or loss) of the Borrowers and the Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with US GAAP plus any Alternative Use Income (to the extent not otherwise included in the preceding calculation), minus any consolidated net income or loss (a) included in the definition of Net Cash From Excluded Assets, and (b) for the avoidance of doubt, resulting from the Repo Transactions; provided, that in calculating Consolidated Net Income for any period, there shall be excluded the income (or deficit) of any Person (other than a Restricted Subsidiary) in which the Borrowers or any of the Restricted Subsidiaries have an ownership interest, except to the extent that any such income is actually received by the Borrowers or such Restricted Subsidiary in the form of dividends or similar distributions.

“Construction Expenses” means the ongoing development, design and construction costs associated with the Arena and the Phase 1 Development as set forth in the Approved Project Budget.

“Contingent Obligations” means, as applied to any Person, any direct or indirect liability, contingent or otherwise, of that Person (a) with respect to any Indebtedness, lease, dividend or other obligation of another if the primary purpose or intent thereof by the Person incurring the

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Contingent Obligation is to provide assurance to the avour of such obligation of another that such obligation of another will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such obligation will be protected (in whole or in part) against loss in respect thereof, or (b) with respect to any letter of credit issued for the account of that Person or as to which that Person is otherwise liable for reimbursement of drawings, or (c) under Hedge Agreements. Contingent Obligations shall include, without limitation, (i) the direct or indirect guaranty, endorsement (other than for collection or deposit in the Ordinary Course of Business), co-making, discounting with recourse or sale with recourse by such Person of the obligation of another, (ii) the obligation to make take-or-pay or similar payments if required regardless of non-performance by any other party or parties to an agreement, and (iii) any liability of such Person for the obligation of another through any agreement (contingent or otherwise) (A) to purchase, repurchase or otherwise acquire such obligation or any security favour re, or to provide funds for the payment or discharge of such obligation (whether in the form of loans, advances, stock purchases, capital contributions or otherwise) or (B) to maintain the solvency or any balance sheet item, level of income or financial condition of another if, in the case of any agreement described under subclauses (A) or (B) of this sentence, the primary purpose or intent thereof is as described in the preceding sentence. The amount of any Contingent Obligation shall be equal to the amount of the obligation so guaranteed or otherwise supported or, if less, the amount to which such Contingent Obligation is specifically limited.

“Control”

means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Control Agreements”

means, a blocked account control agreement governed by either United States law, English law or Isle of Jersey law, as applicable, in form and substance reasonably acceptable to the Administrative Agent.

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- “Copyright Licenses”** shall mean any and all agreements granting any right in, to or under Copyrights (whether the Grantor is licensee or licensor thereunder).
- “Copyrights”** shall mean all United States, state and foreign copyrights, including but not limited to copyrights in software and databases, and all Mask Works (as defined under 17 U.S.C. 901 of the U.S. Copyright Act), whether registered or unregistered, now or hereafter in force throughout the world, all registrations and applications for any of the foregoing, all rights corresponding thereto throughout the world, all extensions and renewals of any thereof, the right to sue for past, present and future infringements of any of the foregoing, and all proceeds of the foregoing, including, without limitation, licenses, royalties, income, payments, claims, damages, and proceeds of suit.
- “Credit Agreement”** means the credit agreement made between inter alia the Borrowers, the Administrative Agent and Collateral Agent), Credit Suisse Securities (USA) LLC (as sole lead arranger and sole book runner) and the Lenders described therein, dated on or about the date of the Agreement.
- “Default”** means a condition or event that, after notice or after any applicable grace period has lapsed, or both, would constitute an Event of Default.
- “Deposit Accounts”** (i) shall mean all “deposit accounts” as defined in Article 9 of the UCC and (ii) shall include, without limitation, all of the Pledged Deposit Accounts. Notwithstanding the foregoing, “Deposit Accounts” shall not include any “deposit account” as defined in Article 9 of the UCC that holds only Net Cash from Excluded Assets and Investments made therewith.
- “Documents”** shall mean all “documents” as defined in Article 9 of the UCC.
- “Documents Evidencing Goods”** shall mean all Documents evidencing, representing or issued in connection with Goods.
- “Effective Date”** means such date on or prior to March 9, 2006, on which the conditions to effectiveness set forth in Section 3.1 of the Credit Agreement are satisfied.

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"English Account Bank"	means the Royal Bank of Scotland plc, or any other depository or security intermediary selected by the Borrowers and reasonably acceptable to the Administrative Agent.
"Entertainment District Development"	means, together, the Phase 1 Development and the Phase 2 Development.
"Entertainment District Lease"	means the "DomeCo Lease" as defined in the Agreement for Leases, together with the "Agreed Form of DomeCo Rent" (agreed January 14, 2005).
"Equipment"	shall mean: (i) all "equipment" as defined in Article 9 of the UCC, (ii) all machinery, manufacturing equipment, data processing equipment, computers, office equipment, furnishings, furniture, appliances, and tools (in each case, regardless of whether characterized as equipment under the UCC), (iii) all Fixtures and (iv) all accessions or additions thereto, all parts thereof, whether or not at any time of determination incorporated or installed therein or attached thereto, and all replacements herefore, wherever located, now or hereafter existing.
"Event of Default"	means each of the events set forth in Section 7 of the Credit Agreement.
"Excess Cash Flow"	means, with respect to any period, Consolidated EBITDA for such period, (A) <u>minus</u> to the extent included in the calculation of Consolidated EBITDA for such period, the sum (without duplication) of the following: (i) principal and interest payments made on the Loans during such period, <u>plus</u> (ii) principal and interest payments made by the Borrowers or any of the Restricted Subsidiaries during such period on Permitted Indebtedness, <u>plus</u> (iii) Consolidated Capital Expenditures permitted to be incurred under the Credit Agreement during such period; <u>plus</u> (iv) actual Cash franchise and income taxes paid by the London Arena and Waterfront Finance, LLC and the Restricted Subsidiaries during such period and an amount equal to the UK taxes estimated to be payable by the Borrowers and the Restricted Subsidiaries with respect to such period, <u>plus</u> (v) for so long as the Borrowers are pass-through entities for tax purposes, an amount permitted under Section 6.5(i), <u>plus</u> (vi) the amount of any extraordinary non-

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recurring expenses, *plus* (vii) amounts set aside in such period in the Omnibus Disbursement Account following Practical Completion of the Arena to fund reasonable reserves designated for Consolidated Capital Expenditures anticipated to be payable in the succeeding quarter not to exceed £2,500,000 less the amount of Consolidated Capital Expenditures permitted solely under Section 6.6B(ii)(a) of the Credit Agreement that were actually paid by the Borrower Parties during the previous three (3) full Fiscal Quarters, *plus* (viii) any amounts actually deposited in the Omnibus Disbursement Account during such period to maintain the required minimum balance of £15,000,000; and

(B) *plus* to the extent not included in the calculation of Consolidated EBITDA for such period, the sum (without duplication) of the following: (i) the amount of any extraordinary non-recurring revenue during such period *plus* (ii) the amount of dividends and distributions received by the Borrowers and the Restricted Subsidiaries during such period (except to the extent such dividends and distributions result from Net Cash from Excluded Assets).

“Excluded Assets”

means (a) the Casino Rights and Revenues in excess of the Alternative Use Income; (b) Phase 2 Rights and Revenues (as defined in the Credit Agreement); (c) the Hotel Option; (d) the Helipad, (e) any part of the Entertainment District Lease required to be surrendered or encumbered pursuant to clause 16 of the Entertainment District Lease as and when released from the Lien in favor of the Collateral Agent in accordance with Section 2.9 of the Credit Agreement; (f) the Repo Loan Proceeds, (g) the payments and revenue generated from any of (a), (b), (c), (d), (e) or (f); and (h) any premium paid on granting of a Permitted Sublease in excess of the Minimum Subtenant Rent Amount; excluding all of the real property, real property rights, easements, licenses and other assets whether leased, or to be leased, to any Borrower Party under the Agreement for Leases, the Arena Lease, the Entertainment District Lease subject to the Borrowers' right to transfer such rights to a Permitted Subtenant by one or more Permitted Subleases, make Restricted Payments pursuant to Section 6.5(vi) of the Credit Agreement and enter into the Approved Affiliate Transactions (as defined in the Credit Agreement) pursuant to, *inter alia*, Section 6.9 of the Credit

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	Agreement.
"Fiscal Quarter"	means a fiscal quarter of a Fiscal Year.
"Fiscal Year"	means the fiscal year of the Borrowers and the Restricted Subsidiaries ending on December 31 of each calendar year.
"Fixtures"	means all "fixtures" as defined in Article 9 of the UCC.
"GAAP"	means US GAAP or UK GAAP, as applicable.
"General Intangibles"	shall mean (i) all "general intangibles" as defined in Article 9 of the UCC and (ii) all interest rate or currency protection or hedging arrangements, all contracts, all tax refunds and all licenses, permits, concessions and authorizations (in each case, regardless of whether characterized as general intangibles under the UCC).
"Goods"	shall mean (i) all "goods" as defined in Article 9 of the UCC and (ii) all Inventory, Equipment, Documents Evidencing Goods and Software Embedded In Goods (in each case, regardless of whether characterized as goods under the UCC).
"Ground Lease"	means each of the Arena Lease, the Agreement for Leases, and the Entertainment District Lease (when granted), each as may be Modified, amended or otherwise supplemented from time to time.
"Guarantees"	means the Completion Guaranty and the Subsidiary Guaranty.
"Hedge Agreements"	means all swaps, options, caps or collar agreements or similar arrangements entered into by one or both of the Borrowers providing for protection against fluctuations in interest rates or currency exchange rates or the exchange of nominal interest obligations, either generally or under specific contingencies.
"Helipad"	means the private helipad referred to in clause 5.2.6 of the Option on the Option (as defined in the definition of Hotel Option below).
"Hotel"	means the site adjacent to The O2 designated for a hotel project as depicted on <u>Exhibit X</u> attached to the Credit Agreement.

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“Hotel Option”

means all of the rights and interests of Borrowers or the Restricted Subsidiaries derived solely from the Hotel or the Call Option (Hotel) Agreement among The Urban Regeneration Agency (also known as English Partnerships), Meridian Delta Limited, Meridian Delta Dome Limited, Ansco, The Waterfront Limited Partnership et al. dated May 29, 2002, and any payments, revenues or other proceeds derived therefrom, which are subject to the rights and obligations contained in the agreement (known as the Option on the Option) made between Ansco Arena Limited and Kerzner International Limited dated December 31, 2003, as amended by a letter agreement from Ansco to Kerzner International Limited dated July 18, 2005.

“Indebtedness”

means, as applied to any Person, without duplication, (a) all indebtedness for borrowed money, (b) the capitalized amount, determined in conformity with US GAAP, of all monetary obligations under Capital Leases, (c) notes payable and drafts accepted representing extensions of credit representing obligations for borrowed money (other than (i) accounts payable incurred in the Ordinary Course of Business and outstanding not more than ninety (90) days, and (ii) accrued expenses incurred in the Ordinary Course of Business), (d) any obligation owed for all or any part of the deferred purchase price of property or services (excluding any trade payables outstanding not more than 90 days incurred in the Ordinary Course of Business, but including earn-outs with respect to any acquisition), (e) all obligations evidenced by notes, bonds, debentures or other similar instruments, (f) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to any property or assets acquired by such Person (even though the rights and remedies of the seller or the lender under such agreement in the event of default are limited to repossession or sale of such property or assets), (g) all obligations, contingent or otherwise, as an account party under any letter of credit or under acceptance, letter of credit or similar facilities to the extent not reflected as trade liabilities on the balance sheet of such Person in accordance with US GAAP, (h) all obligations, contingent or otherwise, to purchase, redeem, retire or otherwise acquire for value any Capital Stock of the Borrowers or any Restricted Subsidiary, (i) all obligations under Hedge Agreements, (when calculating the value of any derivative transaction, only the mark-to-market value shall be taken into account), (j) all Contingent Obligations

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in respect of obligations of the kind referred to in clauses (a) through (i) above or in respect of the payment of dividends on the Capital Stock of any other Person, and (k) all indebtedness secured by any Lien on any property or asset owned or held by that Person regardless of whether the indebtedness secured thereby shall have been assumed by that Person or is nonrecourse to the credit of that Person; provided, that if such Person has not assumed such secured indebtedness that is nonrecourse to its credit, then the amount of indebtedness of such Person pursuant to this clause (k) shall be equal to the lesser of the amount of the secured indebtedness or the fair market value of the assets of such Person which secure such indebtedness.

“Instruments”

shall mean all “instruments” as defined in Article 9 of the UCC.

“Insurance”

shall mean: (i) all insurance policies covering any or all of the Collateral (regardless of whether the Collateral Agent is the loss payee thereof) and (ii) any key man life insurance policies.

“Intellectual Property”

shall mean, collectively, the Copyrights, the Copyright Licenses, the Patents, the Patent Licenses, the Trademarks, the Trademark Licenses, the Trade Secrets, and the Trade Secret Licenses.

“Inventory”

shall mean, as to the Grantor: (i) all “inventory” as defined in Article 9 of the UCC of the Grantor; and (ii) all goods of the Grantor held for sale or lease or to be furnished under contracts of service or so leased or furnished, all raw materials, work in process, finished goods, and materials used or consumed in the manufacture, packing, shipping, advertising, selling, leasing, furnishing or production of such inventory or otherwise used or consumed in the Grantor’s business; all goods in which the Grantor has an interest in mass or a joint or other interest or right of any kind; and all goods which are returned to or repossessed by the Grantor, and all accessions thereto and products thereof (in each case, regardless of whether characterized as inventory under the UCC).

“Investment”

means (a) any direct or indirect purchase or other acquisition by the Borrowers or any of the Restricted Subsidiaries of, or of a beneficial interest in, Capital Stock or other Securities of any other Person, or (b) any direct or indirect loan, advance (other than advances to employees for moving, education, computer,

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entertainment and travel expenses, drawing accounts and similar expenditures in the Ordinary Course of Business) or capital contribution by the Borrowers or any of the Restricted Subsidiaries to any other Person, including all indebtedness and accounts receivable acquired from that other Person that are not current assets or did not arise from sales to that other Person in the Ordinary Course of Business. The amount of any Investment shall be the original cost of such Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment.

"Investment Accounts"

shall mean the Securities Accounts, Commodities Accounts and Deposit Accounts.

"Investment Related Property"

shall mean: (a) all "investment property" (as such term is defined in Article 9 of the UCC), excluding any interests in Unrestricted Subsidiaries that constitute "investment property," and (b) all of the following (regardless of whether classified as investment property under the UCC): all (i) Pledged Equity Interests, (ii) Pledged Debt, (iii) the Investment Accounts and (iv) Certificates of Deposit.

"Jersey Law Security Agreement"

means the agreement entered into on or about the Effective Date in relation to, *inter alia*, any accounts or other assets held in the Isle of Jersey.

"Lender" and "Lenders"

means the Persons identified as "Lenders" and listed on the signature pages of the Credit Agreement, together with their successors and permitted assigns pursuant to Section 9.1 of the Credit Agreement.

"Letter of Credit Right"

shall mean "letter-of-credit right" as defined in Article 9 of the UCC.

"Lien"

shall mean any lien, mortgage, pledge, assignment, security interest, fixed or floating charge or encumbrance of any kind (including any conditional sale or other title retention agreement, any lease in the nature thereof, and any agreement to give any security interest) and any option, trust or deposit or other preferential arrangement having the practical effect of any of the

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foregoing.

“Loan Documents”

shall mean the Credit Agreement, the Agreement, the Notes, the Guarantees and the Collateral Documents or other documents evidencing or securing Obligations.

“Loan Party” or “Loan Parties”

means, collectively, the Borrowers, each Subsidiary Guarantor, London Arena and Waterfront Holdings U.S., LLC, and Anschutz Company; provided, however, that the Anschutz Company shall not be considered a Loan Party after Practical Completion and satisfaction in full of its obligations under the Completion Guaranty.

“Loans”

mean the Tranche A Term Loans and the Tranche B Term Loans outstanding or made by the Lenders pursuant to Section 2.1A of the Credit Agreement.

“Material Adverse Effect”

has the meaning ascribed to it in the Credit Agreement.

“Material Contract”

shall mean any contract, agreement, commitment or document affecting any portion of the Collateral which individually has an aggregate value greater than (or contemplates the payment of sums which exceed) £5,000,000.

“Minimum Subtenant Rent Amount”

means, with respect to any Permitted Sublease, the sum of (i) all amounts payable by any Borrower Party to the applicable landlords under the Ground Leases to the extent they arise from (a) such Permitted Sublease (including, without limitation, any applicable profit sharing obligations) and (b) the development and operation of the Excluded Assets to which the applicable Permitted Sublease relates, and (ii) the applicable Permitted Subtenant's proportionate share of all taxes, insurance, utilities, services and other expenses attributable to the Excluded Assets to which the applicable Permitted Sublease relates and which are not separately paid by the applicable Permitted Subtenant.

“Modifications”

means any amendments, supplements, modifications, renewals, replacements, consolidations, severances, substitutions and extensions of any document or instrument from time to time; “Modify”, “Modified” or related words shall have meanings correlative thereto.

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“Money”

shall mean “money” as defined in Article 1 of the UCC.

“Net Cash from Excluded Assets”

means for any period the net cash flow realized by the Borrowers and the Restricted Subsidiaries solely to the extent resulting from the ownership, use, operation or disposition of the Excluded Assets and related amenities and any improvements hereafter constructed in connection with the development of the Excluded Assets minus, to the extent included in the preceding calculation, the amount of any Alternative Use Income. The parties acknowledge that Net Cash from Excluded Assets may be a negative dollar amount for purposes of calculating the financial covenants set forth in Section 6.6 of the Credit Agreement only and may not be a negative amount for purposes of the calculation of Excess Cash Flow.

“Notes”

means (a) the promissory notes of the Borrowers issued pursuant to Section 2.1D of the Credit Agreement on the Effective Date and (b) any promissory notes issued by the Borrowers in connection with assignments of the Loans of any Lender, in each case substantially in the form of Exhibit IV to the Credit Agreement, as they may be amended, restated, amended and restated, supplemented or otherwise modified from time to time.

“Obligations”

means all obligations of every nature of each Loan Party from time to time owed to the Agents, the Lenders or any of them or their respective Affiliates under the Loan Documents, or, if approved by the Administrative Agent or otherwise required hereunder, Hedge Agreements, whether for principal, interest or payments for early termination of Hedge Agreements, fees, expenses, indemnification or otherwise.

“Omnibus Disbursement Account”

means an account with English Account Bank as depository bank entitled “AnSCO Arena Limited (Omnibus Disbursement Account) – Account Number 20586297/160001”, in the name of AnSCO Arena Limited, which is being pledged to the Collateral Agent for the benefit of the Secured Parties, and any replacements thereof approved by the Collateral Agent, such approval not to be unreasonably withheld or delayed, as established pursuant to Section 3.2F of the Credit Agreement.

“Ordinary Course of Business”

means, with respect to the Borrower Group, the ordinary course of their business, collectively, as related to the design,

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development and construction of the Project, the Phase 2 Development and the Excluded Assets and the business of owning, using, operating, maintaining and repairing the Arena, the Entertainment District Development and the Excluded Assets, and any other improvements developed as part of The O2, and in each case, as undertaken by any Borrower Party (or, to the extent permitted hereunder, any Unrestricted Subsidiary) in good faith and not for purposes of evading any covenant or restriction in any Loan Document.

“Patent Licenses”

shall mean all agreements granting any right in, to, or under Patents (whether the Grantor is licensee or licensor thereunder).

“Patents”

shall mean all United States, state and foreign patents and applications for letters patent, all reissues, divisions, continuations, continuations-in-part, extensions, renewals, and reexaminations of any of the foregoing, all rights corresponding thereto throughout the world, the right to sue for past, present and future infringements of any of the foregoing and all proceeds of the foregoing including, without limitation, royalties, income, payments, claims, damages, and proceeds of suit.

“Payment Intangible”

shall have the meaning specified in Article 9 of the UCC.

“Permitted Encumbrances”

means the following types of Liens:

(A) Liens for taxes, assessments or governmental charges or claims the payment of which is not, at the time, required by Section 5.5 or otherwise delinquent;

(B) statutory Liens of landlords, statutory Liens of carriers, warehousemen, and other similar Liens arising by operation of law (other than Liens of mechanics, vendors and materialmen) and incurred in the Ordinary Course of Business for sums not yet delinquent or being Properly Contested;

(C) statutory Liens of mechanics, vendors and materialmen, and other similar Liens arising by operation of law and incurred during the course of construction or in the Ordinary Course of Business for sums not yet delinquent or being Properly Contested;

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(D) Liens incurred or deposits made in the Ordinary Course of Business in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, trade contracts, performance and return of money bonds and other similar obligations (exclusive, in each case, of obligations for the payment of borrowed money or other Indebtedness other than *Indebtedness permitted under clause (v) of Section 6.1*);

(E) any attachment or judgment Lien with respect to a money judgment, writ, warrant of attachment or similar process not constituting an Event of Default so long as such Lien could not reasonably be expected to have a Material Adverse Effect and is being Property Contested;

(F) Permitted Subleases of portions of the Excluded Assets granted in compliance with the terms of this Agreement and not otherwise materially interfering with the ordinary conduct of the business or operations of the Borrowers or any of the Restricted Subsidiaries, and additional Liens in favor of the Permitted Subtenant thereunder for rights-of-way, access, sewer systems, water pipes and systems, drainage lines and systems, electrical power conduits, lines and wires, utility meters, television and radio lines and cables, microwave communication systems, telephone conduits, lines and wires, security lines and systems, utilities required for teleconferencing, telecommunications and computer facilities, and other utility and service lines and systems, parking facilities, walkways, stairways, tunnels, curbs and landscaping, and other similar purposes, entered into connection therewith and not otherwise materially interfering with the ordinary conduct of the business or operations of the Borrowers or any of the Restricted Subsidiaries;

(G) Permitted Space Subleases and Approved Affiliate Transactions (as defined in the Credit Agreement);

(H) Liens in favor of the Borrowers or any Restricted Subsidiary;

(I) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, access, sewer systems, water pipes and systems, drainage lines and systems, electrical power

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conduits, lines and wires, utility meters, television and radio lines and cables, microwave communication systems, telephone conduits, lines and wires, security lines and systems, utilities required for teleconferencing, telecommunications and computer facilities, and other utility and service lines and systems, parking facilities, walkways, stairways, tunnels, curbs and landscaping, and other similar purposes, minor defects or irregularities in title, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially interfere with the Ordinary Course of Business or operations of the Borrowers or any of the Restricted Subsidiaries;

(J) Rights reserved to the grantors of any properties of the Borrowers or any Restricted Subsidiary under the Ground Leases, and the restrictions, conditions, restrictive covenants and limitations, in respect thereto.

(K) banker's Liens, rights of setoff and similar Liens with respect to Cash and Cash Equivalents on deposit in one or more bank accounts in the Ordinary Course of Business;

(L) Liens in respect of funds held in trust for or on behalf of third parties, such as deposits from lessees of luxury suites or monies collected in respect of ticket sales or otherwise on behalf of any Person;

(M) contractual rights of netting, offset and setoff incurred in the Ordinary Course of Business, including such rights represented by Hedge Agreements;

(N) Liens in respect of obligations under Capital Leases; provided, however, that the related Indebtedness is permitted under Section 6.1 and such Liens attach only to the assets so leased;

(O) Liens on insurance policies and the proceeds thereof incurred in connection with the financing of insurance premiums in the Ordinary Course of Business;

(P) Liens of licensors on licenses of Intellectual Property entered into by the Borrowers or any of the Restricted Subsidiaries in the

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Ordinary Course of Business;

(Q) any Lien in favor of the Collateral Agent granted pursuant to the Collateral Documents or granted in favor of any agent or any Lender pursuant to the terms of this Agreement;

(R) Liens on the Excluded Assets;

(S) any (i) any Liens securing Indebtedness permitted under Section 6.1(iii) but solely to the extent the Lien attaches to the property that is subject to the applicable Capital Lease, (ii) Liens securing Indebtedness permitted under Section 6.1(v) or (vii), (iii) interest or title of a lessor or sublessor under any operating lease not prohibited by this Agreement (but solely to the extent the Lien attaches to the property subject to the applicable operating lease), (iv) restriction or encumbrance that the interest or title of such lessor or sublessor may be subject to, or (v) subordination of the interest of the lessee or sublessee under such lease to any restriction or encumbrance referred to in the preceding clause (iv);

(T) surrenders and grants of easements or supplemental leases pursuant to either the Hotel Option or clause 16 of the Entertainment District Lease and the transactions required to be effected on the exercise of the Overlap Option or Casino Variation Option (each as defined in the Credit Agreement) and any surrender or supplemental lease required under clause 42 of the Arena Lease; and

(U) proper service of a "pie crust notice" in relation to the Entertainment District Lease and necessary and consequent amendments to the form of such Lease (as defined in the Credit Agreement).

"Permitted Indebtedness"

means Indebtedness permitted to be incurred by the Borrowers and the Restricted Subsidiaries under Section 6.1 of the Credit Agreement (other than the Indebtedness evidenced by the Credit Agreement).

"Permitted Intercompany Loans"

means (a) any loan from a Borrower Party to another Borrower Party, and (b) any loan made by one or more Affiliates of the Borrowers (other than a Borrower Party) to a Borrower Party

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provided that such loans from Affiliates of the Borrowers fully comply with the requirements of Section 6.1(iv) of the Credit Agreement.

"Permitted Space Sublease"

has the meaning ascribed thereto in the Credit Agreement.

"Permitted Sublease"

means a written sublease agreement relating to all or a portion of the Excluded Assets between a Borrower Party, as sublessor, and a Permitted Subtenant, as sublessee.

"Permitted Subtenant"

means, at all times, a Subsidiary of Anschutz Entertainment Group, Inc. that is Controlled by Anschutz Entertainment Group, Inc., which may be an Unrestricted Subsidiary (but is not required to be a Subsidiary of either Borrower).

"Person"

shall mean and include natural persons, corporations, limited partnerships, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, statutory trusts, business trusts or other organizations, whether or not legal entities, and governmental authorities.

"Phase 1 Development"

means that certain real property described as 34,094 m² of design, construction and build-out of five buildings adjacent to the Arena with a central street linking several public piazzas, including all improvements thereon and located within The O2, depicted on Exhibit X to the Credit Agreement, and specifically excluding the Phase 2 Development.

"Phase 2 Development"

means all of the remainder of the Waterfront demise other than the Phase 1 Development which is currently anticipated to include 12, 985m² of the design, construction and build-out of three buildings adjacent to the Arena.

"Pledge Agreement"

means the Pledge Agreement executed and delivered by London Arena and Waterfront Holdings U.S., in favor of the Collateral Agent for the benefit of the Secured Parties substantially in the form of Exhibit VIII to the Credit Agreement, as may be amended, restated, amended and restated, supplemented or otherwise Modified from time to time in accordance with the terms thereof and hereof.

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“Pledge Agreements”

means, collectively, the Pledge Agreement, the Share Pledge, the Agreement and the Jersey Law Security Agreements.

“Pledged Debt”

shall mean, with respect to the Grantor, all indebtedness for borrowed money owed to the Grantor, whether or not evidenced by any instrument or promissory note, including, without limitation, all indebtedness described on Schedule II to the Agreement under the heading “Pledged Debt” (as such Schedule may be amended or supplemented from time to time), the instruments evidencing any of the foregoing, and all interest, cash, instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the foregoing.

“Pledged Deposit Accounts”

means those certain accounts listed on Schedule II to the Agreement under the heading “Deposit Accounts” (as such Schedule may be amended or supplemented from time to time) and any replacements thereof to the extent permitted by the Credit Agreement or the applicable Control Agreement, and otherwise approved by the Collateral Agent (such approval not to be unreasonably withheld or delayed).

“Pledged Equity Interests”

shall mean all Pledged Stock, Pledged LLC Interests, Pledged Partnership Interests, Pledged Trust Interests and any other participation or other interests in any equity or profits of any business entity, but excluding any participation or other interests in any equity or profits of any Unrestricted Subsidiary of the Grantor.

“Pledged LLC Interests”

shall mean, with respect to the Grantor, all interests of the Grantor in any limited liability company (other than any Unrestricted Subsidiary of the Grantor) including, without limitation, all limited liability company interests set forth opposite the Grantor’s name on Schedule II to the Agreement under the heading “Pledged LLC Interests” (as such Schedule may be amended or supplemented from time to time) and the certificates, if any, representing such limited liability company interests and any interest of the Grantor on the books and records of such limited liability company or on the books and records of any securities intermediary pertaining to such interest and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time

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to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such limited liability company interests and any other warrant, right or option to acquire any of the foregoing.

“Pledged Partnership Interests”

shall mean, with respect to the Grantor, all interests of the Grantor in any general partnership, limited partnership, limited liability partnership or other partnership (other than any Unrestricted Subsidiary of the Grantor) including, without limitation, all partnership interests set forth opposite the Grantor’s name on Schedule II to the Agreement under the heading “Pledged Partnership Interests” (as such Schedule may be amended or supplemented from time to time) and the certificates, if any, representing such partnership interests and any interest of the Grantor on the books and records of such partnership or on the books and records of any securities intermediary pertaining to such interest and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such partnership interests and any other warrant, right or option to acquire any of the foregoing.

“Pledged Stock”

shall mean, with respect to the Grantor, all shares of capital stock owned by the Grantor (other than any capital stock of any Unrestricted Subsidiary of the Grantor), including, without limitation, all shares of capital stock described under the Grantor’s name on Schedule II hereto under the heading “Pledged Stock” (as such Schedule may be amended or supplemented from time to time), and the certificates, if any, representing such shares and any interest of the Grantor in the entries on the books of the issuer of such shares or on the books and records of any securities intermediary pertaining to such shares, and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such shares and any other warrant, right or option to acquire any of the foregoing.

“Pledged Trust Interests”

shall mean, with respect to the Grantor, all interests of the Grantor in a Delaware statutory trust or other trust including (other than any interests in any Unrestricted Subsidiary of the

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Grantor), without limitation, all trust interests set forth opposite the Grantor's name on Schedule II hereto under the heading "Pledged Trust Interests" (as such Schedule may be amended or supplemented from time to time) and the certificates, if any, representing such trust interests and any interest of the Grantor on the books and records of such trust or on the books and records of any securities intermediary pertaining to such interest and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such trust interests and any other warrant, right or option to acquire any of the foregoing.

"Post-Opening Period"

means the period of time commencing after the Arena Opening Date until the Obligations are extinguished in full

"Practical Completion"

has the meaning ascribed to it in the Agreement for Leases.

"Pre-Opening Period"

means the period of time from the Effective Date through and including the Arena Opening Date.

"Proceeds"

shall mean: (i) all "proceeds" as defined in Article 9 of the UCC, (ii) payments or distributions received with respect to any Investment Related Property and (iii) whatever is receivable or received when Collateral or proceeds are sold, leased, licensed, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary. Notwithstanding the foregoing, "Proceeds" shall not include any payments or distributions received of or with respect to any Excluded Assets or Net Cash from Excluded Assets, or any "proceeds" as defined in Article 9 of the UCC of the Excluded Assets or Net Cash from Excluded Assets (in each case, without duplication, in excess of any Alternative Use Income and the Minimum Subtenant Rent Amount, as applicable).

"Project"

means the design, construction, development, operation and marketing of the Arena and the Phase 1 Development.

"Project Projections"

means that certain development and construction schedule associated with the Project attached hereto as Exhibit I-A to the Credit Agreement which estimates the allocation of the expenditures contemplated under the Approved Project Budget

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over the period from January 1, 2002 through December 31, 2009. The Borrowers shall have the right to update the Project Projections in accordance with Section 5.3(ix) of the Credit Agreement.

“Properly Contested”

has the meaning ascribed to it in the Credit Agreement.

“Receivables”

shall mean all (i) Accounts, (ii) Chattel Paper, (iii) Payment Intangibles, (iv) Instruments and (v) to the extent not otherwise covered above, all other rights to payment, whether or not earned by performance, for goods or other property sold, leased, licensed, assigned or otherwise disposed of, or services rendered or to be rendered, regardless of how classified under the UCC together with all of the Grantor's rights, if any, in any goods or other property giving rise to such right to payment and all Collateral Support and Supporting Obligations related thereto and all Receivables Records.

“Receivables Records”

shall mean (i) to the extent within the possession or control of the Grantor, all original copies of all documents, instruments or other writings or electronic records or other Records evidencing the Receivables, (ii) all books, correspondence, credit or other files, Records, ledger sheets or cards, invoices, and other papers relating to Receivables, including, without limitation, all tapes, cards, computer tapes, computer discs, computer runs, record keeping systems and other papers and documents relating to the Receivables, whether in the possession or under the control of the Grantor or any computer bureau or agent from time to time acting for the Grantor or otherwise, (iii) all evidences of the filing of financing statements and the registration of other instruments in connection therewith, and amendments, supplements or other modifications thereto, notices to other creditors or agents thereof, and certificates, acknowledgments, or other writings, including, without limitation, lien search reports, from filing or other registration officers, (iv) all credit information, reports and memoranda relating thereto and (v) all other written or non-written forms of information related in any way to the foregoing or any Receivable.

“Record”

shall have the meaning specified in Article 9 of the UCC.

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"Repo Lender"	means any Person in its capacity as the lender that provides a Repo Loan Facility.
"Repo Loan Facility"	means Indebtedness that may be incurred by Ansco UK Finance Co. 2 Limited from time to time but not more than once in any 364 day period with respect to each of the two Repo Transactions that (i) is used solely for the purpose of funding the consummation of the applicable Repo Transactions and to repay such Repo Loan Facility, and (ii) is in compliance with the requirements of Section 6.1(viii) of the Credit Agreement.
"Repo Loan Proceeds"	means the Cash proceeds of the Repo Loan Facility deposited with a depository and held as security for the benefit of the Repo Lender.
"Repo Transactions"	means from time to time, but with respect to each such Repo Transaction, not more than once in any 364 day period, the following: (a) with respect to Ansco Arena Limited, Ansco UK Finance Co. 2 Limited, Ansco UK Finance Co. 3 Limited and Ansco UK Finance Co. 4 Limited, any combination of one or more of the following transactions structured in such a manner that following the completion of such transactions Ansco UK Finance Co. 2 Limited will have sufficient Cash to repay the related Repo Loan Facility (or applicable portion thereof if a single Repo Loan Facility is entered into to finance the transactions described in this clause (a) and in clause (b)): (i) the entering into and consummation of forward sales of Capital Stock of Ansco UK Finance Co. 3 Limited by Ansco UK Finance Co. 2 Limited to Ansco Arena Limited, and the payment therefore by Ansco Arena Limited from the proceeds of the Permitted Intercompany Loans described in clause (a)(iii) below or by the issuance of Capital Stock by Ansco Arena Limited, (ii) the issuance of Capital Stock by Ansco UK Finance Co. 3 Limited to Ansco UK Finance Co. 2 Limited and the payment therefore by Ansco UK Finance Co. 2 Limited in Cash, and (iii) Permitted Intercompany Loans permitted under Section 6.1 from Ansco UK Finance Co. 3 Limited to Ansco Arena Limited out of the proceeds received by Ansco UK Finance Co. 3 Limited from the issuance of Capital Stock by Ansco UK Finance Co. 3 Limited to Ansco UK Finance Co. 2 Limited described in clause (a)(ii) above, and (iv) certain related transactions deemed reasonably necessary or appropriate by London Arena and Waterfront

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Finance, LLC to accomplish the intended results of such transactions to the extent such related transactions are approved by the Collateral Agent and provided such related transactions do not impair the Lenders' security interests in the Collateral or otherwise cause or result in an Event of Default; and (b) with respect to the Waterfront Limited Partnership, Ansko UK Finance Co. 2 Limited and Ansko UK Finance Co. 4 Limited, any combination of one or more of the following transactions structured in such a manner that following the completion of such transactions Ansko UK Finance Co. 2 Limited will have sufficient Cash to repay the related Repo Loan Facility (or the applicable portion thereof if a single Repo Loan Facility is entered into to finance the transactions described in clause (a) and in this clause (b)): (i) the entering into and consummation of forward sales of Capital Stock of Ansko UK Finance Co. 4 Limited by Ansko UK Finance Co. 2 Limited to the Waterfront Limited Partnership, and the payment therefore by the Waterfront Limited Partnership from the proceeds of the Permitted Intercompany Loans described in clause (b)(iii) below or by the transfer of Capital Stock of or by the Waterfront Limited Partnership, (ii) the issuance of Capital Stock by Ansko UK Finance Co. 4 Limited to Ansko UK Finance Co. 2 Limited, and the payment therefore by Ansko UK Finance Co. 2 Limited out of the proceeds of a Repo Loan Facility or Permitted Intercompany Loans, (iii) Permitted Intercompany Loans permitted under Section 6.1 from Ansko UK Finance Co. 4 Limited to the Waterfront Limited Partnership of the proceeds received by Ansko UK Finance Co. 4 Limited from the issuance of Capital Stock by Ansko UK Finance Co. 4 Limited to Ansko UK Finance Co. 2 Limited described in clause (a)(ii) above, and (iv) certain related transactions deemed reasonably necessary or appropriate by the London Arena and Waterfront Finance, LLC to accomplish the intended results of such transactions to the extent such related transactions are approved by the Collateral Agent and provided such related transactions do not impair the Lenders' security interests in the Collateral or otherwise cause or result in an Event of Default. All transactions relating to any Repo Transaction must be consummated within a period of time not to exceed five (5) consecutive Business Days.

"Restricted Payments"

means (a) any dividend or other distribution, direct or indirect, on account of any shares of any class of stock (or of any other

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Capital Stock) of the Borrowers or any of the Restricted Subsidiaries now or hereafter outstanding, except a dividend payable solely in shares of that class of stock to the holders of that class, (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any shares of any class of stock (or of any other Capital Stock) of the Borrowers or any of the Restricted Subsidiaries now or hereafter outstanding, in each case, by the Borrowers or by the Restricted Subsidiaries and (c) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any class of stock (or of any other Capital Stock) of its, the Borrowers or any of the Subsidiaries now or hereafter outstanding.

“Restricted Subsidiaries”

means the Subsidiaries of each Borrower other than Unrestricted Subsidiaries. As of the Effective Date, all of the Subsidiaries of the Borrowers are deemed Restricted Subsidiaries and are as follows: Ansko UK Finance Co. Ltd (with respect to the London Arena and Waterfront Finance, LLC), Ansko Arena Limited, Arena Holdings LLC, a Colorado limited liability company, Ansko Management Limited, a company registered in England and Wales, Waterfront GP, Waterfront Holdings LLC, a Colorado limited liability company, AEG Waterfront Number Three LLC, a Colorado limited liability company, AEG Waterfront Number Two LLC, a Colorado limited liability company, AEG Waterfront Number One LLC, a Colorado limited liability company, Waterfront LP, Ansko Piazza Management Ltd., a company registered in England and Wales, Ansko UK Finance Co. 2 Limited, Ansko UK Finance Co. 3 Limited, and Ansko UK Finance Co. 4 Limited.

“Secured Parties”

shall mean the Agents, the Lenders, and counterparties to Hedge Agreements permitted by the Credit Agreement.

“Securities”

means any Capital Stock, voting trust certificates, certificates of interest or participation in any profit-sharing agreement or arrangement, bonds, debentures, notes, or other evidences of Indebtedness, secured or unsecured, convertible, subordinated or otherwise, or in general any instruments commonly known as “securities” or any certificates of interest, shares or participations in temporary or interim certificates for the purchase or acquisition of, or any right to subscribe to, purchase or acquire, any of the

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foregoing.

“Securities Accounts”

(i) shall mean all “securities accounts” as defined in Article 8 of the UCC and (ii) shall include, without limitation, all of the accounts listed on Schedule II hereto under the heading “Securities Accounts” (as such Schedule may be amended or supplemented from time to time). Notwithstanding the foregoing, “Securities Accounts” shall not include any “securities account” as defined in Article 8 of the UCC that holds only Net Cash from Excluded Assets and Investments made therewith.

“Share Pledge”

means the English Law Share Pledge executed and delivered by London Arena and Waterfront Finance, LLC, Arena Holdings LLC, a Colorado limited liability company, and Anasco Management Limited, a company registered in England and Wales in favor of the Collateral Agent for the benefit of the Secured Parties substantially in the form of Exhibit IX to the Credit Agreement, as may be amended, restated, amended and restated, supplemented or otherwise Modified from time to time in accordance with the terms thereof and hereof.

“Software Embedded in Goods”

means, with respect to any Goods, any computer program embedded in Goods and any supporting information provided in connection with a transaction relating to the program if (i) the program is associated with the Goods in such a manner that it customarily is considered part of the Goods or (ii) by becoming the owner of the Goods a person acquires a right to use the program in connection with the Goods.

“Subsidiary”

means, with respect to any Person, any corporation, partnership, association, joint venture or other business entity of which more than 50% of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof.

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"Subsidiary Guarantor"	means, individually, each Restricted Subsidiary other than Anasco UK Finance Co. Ltd, and "Subsidiary Guarantors" means, collectively, all of the foregoing.
"Subsidiary Guaranty"	means the Subsidiary Guaranty, substantially in the form of <u>Exhibit XIII</u> to the Credit Agreement, executed and delivered by each of the Subsidiary Guarantors, on the Effective Date, or executed and delivered by any additional Subsidiary Guarantors from time to time thereafter pursuant to Section 5.11 of the Credit Agreement, as such Subsidiary Guaranty may hereafter be amended, restated, supplemented or otherwise Modified from time to time.
"Supporting Obligation"	shall mean all "supporting obligations" as defined in Article 9 of the UCC.
"The O2"	means the structure formerly known as the Millennium Dome and the space inside such structure.
"Trade Secret Licenses"	shall mean any and all agreements granting any right in or to Trade Secrets (whether the Grantor is licensee or licensor thereunder).
"Trade Secrets"	shall mean all trade secrets and all other confidential or proprietary information and know-how (all of the foregoing being collectively called a "Trade Secret"), whether or not reduced to a writing or other tangible form, including all documents and things embodying, incorporating, or referring in any way to such Trade Secret, the right to sue for past, present and future infringement of any Trade Secret, and all proceeds of the foregoing, including, without limitation, royalties, income, payments, claims, damages, and proceeds of suit.
"Trademark Licenses"	shall mean any and all agreements granting any right in or to Trademarks (whether the Grantor is licensee or licensor thereunder).
"Trademarks"	shall mean all United States, state and foreign trademarks, service marks, certification marks, collective marks, trade names, corporate names, d/b/as, business names, fictitious business names, internet domain names, trade styles, logos, other source or business identifiers, designs and general intangibles of a like

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nature, rights of publicity and privacy pertaining to the right to use names likeness and biographical data, all registrations and applications for any of the foregoing, the goodwill of the business symbolized by the foregoing, the right to sue for past, present and future infringement or dilution of any of the foregoing or for any injury to goodwill, and all proceeds of the foregoing, including, without limitation, royalties, income, payments, claims, damages, and proceeds of suit.

“Tranche A Term Loans”

has the meaning provided in Section 2.1A(i) of the Credit Agreement.

“Tranche B Term Loans”

has the meaning provided in Section 2.1A(ii) of the Credit Agreement.

“Transaction”

means the execution of the Loan Documents and the making of the Loans as contemplated by the Credit Agreement.

“Transaction Costs”

means the fees, costs and expenses payable by the Borrowers and the Restricted Subsidiaries in connection with the Transactions and set forth in the schedule delivered by the Borrowers pursuant to Section 3.1M of the Credit Agreement, including, without limitation, amounts payable to the Agents and the Lenders

“UCC” or “Uniform Commercial Code”

shall mean the Uniform Commercial Code (or any successor statute) as adopted and in force in the State of New York or, when the laws of any other state govern the method or manner the perfection or enforcement of any security interest in any of the Collateral, the Uniform Commercial Code (or any successor statute) of such state.

“Unrestricted Subsidiary”

means a Subsidiary of the Borrowers (other than Ansco UK Finance Co. Ltd) formed after the Effective Date and designated at any time as an Unrestricted Subsidiary by the Borrowers to the Administrative Agent in writing for the purpose of functioning as the Permitted Subtenant; provided, however, that no Unrestricted Subsidiary shall own, directly or indirectly, any portion of the Collateral. Unrestricted Subsidiaries shall not become guarantors of the Loans.

“US GAAP”

means, subject to the limitations on the application thereof set forth in Section 1.2 of the Credit Agreement, generally accepted

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accounting principles, as in effect in the United States on the date of determination.

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04392460

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A PLEDGE AND SECURITY AGREEMENT DATED THE 9th MARCH 2006 AND CREATED BY WATERFRONT GP LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE AGENTS, THE LENDERS OR ANY OF THEM OR THEIR RESPECTIVE AFFILIATES 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 21st MARCH 2006.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24th MARCH 2006.

PDW



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES