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COMPANIES FORM No. 395

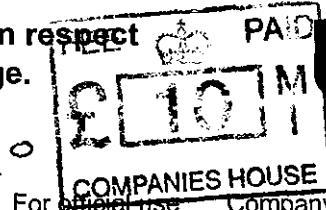
Particulars of a mortgage or charge

395

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

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)



[118]

04525593

Name of company

* London & Regional PFI Projects Holdings Limited (the "Chargor")

Date of creation of the charge

29 October 2003

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

Share charge (the "Charge") relating to shares in the Company (as defined below) dated 29 October 2003 made between the Chargor and the Governor and Company of the Bank of Scotland, as agent and security trustee (the "Agent") and all successor agents as appointed from time to time

Amount secured by the mortgage or charge

All present and future obligations and liabilities whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever of the Company to all or any of the Secured Parties under each Financing Document (the "Secured Liabilities")

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

The Governor and Company of the Bank of Scotland, Level 7 Bishopsgate Exchange, 155 Bishopsgate, London

Postcode EC2M 3YB

Please return

via

CH London Counter

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

Denton Wilde Sapte
1 Fleet Place
London
EC4M 7WS

DRM/NCE/58119.00848

Time critical reference

For official Use
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

1. THE CHARGE

The Chargor, as security for the payment of all the Secured Liabilities, charged in favour of the Agent by way of a first fixed charge all Shares held by it and/or any nominee on its behalf and all Related Rights.

2. NOTE

The Chargor shall not:

(a) create or permit to subsist any Security Interest on any Security Asset other than any Security Interest created by the Charge;

(b) sell, transfer or otherwise dispose of any Security Asset or permit the same to occur;

(c) take or permit the taking of any action whereby the rights attaching to any of the Security Assets are amended or further shares in the Company are issued.

continued on continuation sheet no. 1, page 4

Particulars as to commission allowance or discount (note 3)

nil

Signed

Denton Wilde Sapte

Date

7/11/03

On behalf of ~~[company]~~ ~~[mortgagor]~~/chargee

Notes

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

Companies House, Crown Way, Cardiff CF14 3UZ

Please do not write in this margin

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

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

† delete as appropriate

CHFP025

Particulars of a mortgage or charge (continued)

Please do not
write in this
binding margin

Continuation sheet No 1
to Form No 395 and 410 (Scot)

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

Company Number

04525593

Name of Company

London & Regional PFI Projects Holdings Limited (the "Chargor")

~~XXXXXX~~

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

(d) without the prior consent in writing of the Agent or except as provided in the Charge:

(i) permit any person other than the Chargor or the Agent (or its nominee or agent) to be registered as holder of the Shares or any part thereof; or

(ii) create or purport to create or permit to subsist any mortgage, charge, lien or encumbrance (other than in favour of the Agent) on or over the Shares or any part thereof or interest therein; or

(iii) sell, transfer, grant any option over or otherwise dispose of the Shares or any part thereof or interest therein or attempt or agree so to do;

(e) do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the interest of the Agent in, or the value to the Secured Parties of the Shares and use its best endeavours not to permit a variation of any rights attaching to any of the Shares.

3. DEFINITIONS

"Advance" means the advance made or to be made to the Company under the Credit Agreement or, as the case may be, the outstanding principal amount of such advance;

"Affiliate" means a Subsidiary or a holding company (as defined in Section 736 of the Companies Act 1985) of a person or any other Subsidiary of that holding company;

"Bank Accounts" means the Compensation Account, the Debt Service Reserve Account and Distribution Account and the Proceeds Account and "Bank Account" shall mean any of them;

"Bank Account Charge" means each account charge in relation to certain of the Bank Accounts in the agreed form granted or to be granted by the Company in favour of the Security Trustee on behalf of the Secured Parties;

"Banks" means those banks listed in Schedule 1 of the Credit Agreement and "Bank" shall be construed accordingly;

"Building Contract" has the meaning given to that term in the Project Document;

"Collateral Warranties" means:

(a) a direct agreement between Sheffield City Council, the Security Trustee and the Chargor in respect of the Project Document;

(b) a direct agreement between Taylor Woodrow Construction Limited, the Security Trustee and the Company in respect of the Facilities Management Agreement; and

(c) a collateral warranty from Taylor Woodrow Construction Limited in relation to the development stage for the Property which are assigned to the Security Trustee;

"Company" means LR (Sheffield PFI) Limited, a company incorporated in England and Wales with registered number 3686944;

"Completion Date" means 31 March 1999;

continued on continuation sheet no. 2, page 4

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Particulars of a mortgage or charge (continued)

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Continuation sheet No 2
to Form No 395 and 410 (Scot)

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Company Number

04525593

Name of Company

London & Regional PFI Projects Holdings Limited (the "Chargor")

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* delete if
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Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

"Compensation Account" means the account of the Company with the Agent named "The Compensation Account" (as that account may from time to time be re-designated or re-numbered;

"Credit Agreement" means the agreement dated 29 October 2003 made between (1) the Company, (2) the Banks, (3) the Agent and (4) The Governor and Company of the Bank of Scotland (as Counterparty Hedging Bank);

"Debenture" means the debenture in the agreed form granted by the Company in favour of the Security Trustee for and on behalf of the Secured Parties and which includes a legal mortgage in relation to all of its legal and beneficial interest in the Property, an assignment of all of its rights in and benefits from the Project Document, the Building Contract, the Facilities Management Agreement and the Taylor Woodrow Parent Guarantee, and fixed and/or floating charges over all the other assets of the Company;

"Debt Service Reserve Account" has that meaning given to it in the Credit Agreement;

"Distribution Account" has that meaning given to it in the Credit Agreement;

"Facilities Management Agreement" means the facilities management agreement entered into on or about the Completion Date between the Company and Taylor Woodrow Construction Limited;

"Fees Letter" means the letter dated on or about the date hereof from the Agent to the Company relating to arrangement fees payable to the Agent in relation to the Credit Agreement described on its face as the Fees Letter;

"Financing Documents" means the Credit Agreement, the Interest Rate Protection Agreement, the Fees Letter and the Security Documents;

"Hedging Bank" means HBOS Treasury Services plc, 33 Old Broad Street, London EC2N 1HZ in its capacity as hedging counterparty, its successors and assignors or such other bank of financial institution approved by the Majority Banks (as defined in the Credit Agreement) and/or where the context so requires, the Governor and Company of The Bank of Scotland in its capacity as Counterparty Hedging Bank;

"Interest Rate Protection Agreement" means:

(a) each interest rate management agreement entered into or to be entered into between the Company and a Bank or entered into by the Chargor and a group member of a Bank and in relation to which swap and/or other indemnity arrangements are entered into between that Bank and that other group member of the relevant Bank and including:

(i) an ISDA agreement entered into on or about the date of this Agreement between HBOS Treasury Services plc and the Company;

(ii) a counter-indemnity between The Governor and Company of the Bank of Scotland and the Company pursuant to the ISDA agreement referred to in (i) above; and

(iii) a guarantee between HBOS Treasury Services plc and The Governor and Company of the Bank of Scotland entered into on or about the date of this Agreement in relation to the Company's obligations under and pursuant to the ISDA agreement referred to in (i) above; and

continued on continuation sheet no. 3, page 4

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Particulars of a mortgage or charge (continued)

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Continuation sheet No 3
to Form No 395 and 410 (Scot)

Please complete
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Company Number

04525593

Name of Company

London & Regional PFI Projects Holdings Limited (the "Chargor")

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* delete if
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Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

(b) each transaction novated to the Company and/or novated or assigned to a Bank from another bank or financial institution; and

(c) each internal swap and indemnity arrangements entered into between a Bank and any other group company in the corporate group of which the Bank is a group member,

in each case, directly or indirectly for the purpose of hedging the Chargor's interest rate liabilities in relation to all or any part of an Advance;

"Proceeds Account" has that meaning given to it in the Credit Agreement;

"Project Agreements" mean the Project Document, the Facilities Management Agreement, the Building Contract and the Taylor Woodrow Parent Guarantee;

"Project Document" means the agreement dated 31 March 1999 between Sheffield City Council (1) and the Borrower (2) in relation to the Property;

"Property" means the property known as Howden House, Union Street, Sheffield as is registered at the Land Registry with title number SYK432925;

"Related Rights" means any dividend or interest paid or payable in relation to any Share and any rights, money or property accruing or offered at any time in relation to any Share by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

"Secured Parties" means all and each of the Agent, the Banks, the Hedging Bank and their respective successors and assigns;

"Security Assets" means the Shares and the Related Rights;

"Security Documents" means each of the Collateral Warranties, each Bank Account Charge, the Debenture, the Subordination Deed, the Share Charge, and any other guarantee or document creating, evidencing or acknowledging security in respect of any of the obligations and liabilities of the Company under any Financing Document;

"Security Trustee" means The Governor and Company of the Bank of Scotland in its capacity as security trustee for and on behalf of the Secured Parties;

"Share Charge" means a share charge in the agreed form over the entire issued share capital of the Company and granted by Heart of the City Limited and the Chargor in favour of the Security Trustee for and on behalf of the Secured Parties;

"Shares" means all the shares in the Company legally and/or beneficially owned by the Chargor;

"Subordination Deed" means a subordination deed in the agreed form in favour of the Security Trustee in respect of any indebtedness of the Borrower to an Affiliate entered into or to be entered into between the Security Trustee, the Borrower and each Affiliate which has made such indebtedness available to the Borrower;

"Subsidiary" means means a subsidiary within the meaning of section 736 of the Companies Act 1985; and

continued on continuation sheet no. 4, page 4

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Particulars of a mortgage or charge (continued)

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Continuation sheet No 4
to Form No 395 and 410 (Scot)

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Company Number

04525593

Name of Company

London & Regional PFI Projects Holdings Limited (the "Chargor")

~~XXXXXX~~

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

"Taylor Woodrow Parent Guarantee" means a guarantee from Taylor Woodrow Plc in favour of the Company and in relation to the obligations of Taylor Woodrow Construction Limited pursuant to the Building Contract and dated 25 May 1999.

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

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04525593

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SHARE CHARGE RELATING TO SHARES IN THE COMPANY DATED THE 29th OCTOBER 2003 AND CREATED BY LONDON & REGIONAL PFI PROJECTS HOLDINGS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM LR (SHEFFIELD PFI) LIMITED TO ALL OR ANY OF THE SECURED 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 7th NOVEMBER 2003.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 11th NOVEMBER 2003.

A handwritten signature in black ink, appearing to be 'dc' followed by a stylized flourish.



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES