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## COMPANIES FORM No. 395

### Particulars of a mortgage or charge

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

Pursuant to section 395 of the Companies Act 1985

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

For official use Company number

[ ] [ ] [ ] [ ]

4966637

Name of company

\* Tesco Property (Nominees) (No.1) Limited (the "Company").

Date of creation of the charge

7 April 2004.

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

Nominees deed of charge [dated 7 April 2004 between, among others, the Company and Tesco Property (Nominees) (No.2) Limited together as Chargors and HSBC Trustee (C.I.) Limited as the Bond Trustee and the Borrower Security Trustee.]

Amount secured by the mortgage or charge

Please see Schedule 1.  
A list of defined terms used in this form 395 is set out in Schedule 3.

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

HSBC Trustee (C.I.) Limited, whose principal office is at 1 Grenville Street, St Helier, Jersey.

Postcode JE4 9PF

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

Clifford Chance  
10 Upper Bank Street  
London  
E14 5JJ  
KJXB/M1230/37093

For official Use  
Mortgage Section

Post room



LD2  
COMPANIES HOUSE

0184  
22/04/04

Time critical reference

Short particulars of all the property mortgaged or charged

Please see Schedule 2.

A list of defined terms used in this form 395 is set out in Schedule 3.

Please do not  
write in  
this margin

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

Particulars as to commission allowance or discount (note 3)

None.

Signed

per pro SFM Directors Limited  
as Director

per pro SFM Directors (No.2) Limited  
as Director

Date

21-04-04

On behalf of [company] [XXXXXXXXXXXXXX]  
[XXXXXXXXXXXXXX]

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

† delete as  
appropriate

## Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
  - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
  - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-  
  
Companies House, Crown Way, Cardiff CF14 3UZ

CHFP025

## Particulars of a mortgage or charge (continued)

Please do not  
write in this  
binding margin

Continuation sheet No \_\_\_\_\_  
to Form No 395 and 410 (Scot)

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

Company Number

4966637

Name of Company

Tesco Property (Nominees) (No.1) Limited (the "Company").

Limited\*

\* delete if  
inappropriate

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

Amount due or owing on the mortgage or charge (continued)

Please do not  
write in this  
binding margin

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

Please do not  
write in this  
binding margin\*

Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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

Short particulars of all the property mortgaged or charged (continued)

Please do not  
write in this  
binding margin

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

***SCHEDULES TO FORM 395 RELATING TO THE NOMINEES DEED OF CHARGE  
ENTERED INTO BY TESCO PROPERTY (NOMINEES) (NO.1) LIMITED (COMPANY  
NO: 4966637) DATED 7 APRIL 2004***

**SCHEDULE 1**

**AMOUNT SECURED BY THE MORTGAGE OR CHARGE**

For the payment and discharge of the Borrower Secured Obligations.

## SCHEDULE 2

### SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED

#### 1. FIXED SECURITY AND ASSIGNMENT

##### 1.1 Creation of fixed security

The Chargor, as continuing security for the payment and discharge of all the Borrower Secured Obligations, charges with full title guarantee in favour of the Borrower Security Trustee (as trustee for the Borrower Secured Creditors) the Benefit of any Interest the Chargor holds from time to time in and to each of the following assets (to the extent of the Chargor's interest):

##### 1.1.1 by way of a first legal mortgage:

- (a) all the property specified in Schedule 2 (*Real Property*) of the Nominees Deed of Charge (attached hereto as Appendix 1); and
- (b) all estates or interests in any other freehold or leasehold property (except any property specified in Clause 1.1.1(a)) now or hereafter belonging to it;

##### 1.1.2 by way of a first fixed charge:

- (a) (to the extent that they are not the subject of an effective mortgage under Clause 1.1.1) all estates or interests in any freehold or leasehold property now or hereafter belonging to it;
- (b) any plant, machinery, office equipment, computers, vehicles and other chattels and all Related Rights;
- (c) (to the extent that they are not the subject of an effective assignment under Clause 1.2 (*Assignment*)) the Third Party Insurance Policies and all Related Rights, including any Benefit in any Insurance Proceeds to which the Chargor is entitled;
- (d) (to the extent they are not subject to an effective assignment under Clause 1.2 (*Assignment*)) all Rental Income and all of its other book and other debts and all Related Rights;
- (e) (to the extent they are not subject to an effective assignment under Clause 1.2 (*Assignment*)) each Occupational Lease and any guarantee contained in or relating to any Occupational Lease;
- (f) its goodwill;
- (g) all licences, consents and authorisations (statutory or otherwise) held in connection with any Mortgaged Property, its business or the use of any Nominees Charged Property and all Related Rights;



- (h) its uncalled capital;
- (i) (to the extent that they are not subject to an effective assignment pursuant to Clause 1.2 (*Assignment*)) each of the Borrower Transaction Documents;
- (j) any agreement relating to the purchase or lease of the Mortgaged Property;
- (k) any rights it may have to recover VAT on any supplies made to it relating to the Nominees Charged Property and any sums so recovered; and
- (l) its rights in respect of the proceeds of any order of the court made pursuant to Sections 238(3), 239(3) or 244 of the Insolvency Act.

## 1.2 Assignment

The Chargor, as continuing security for the payment and discharge of the Borrower Secured Obligations assigns absolutely (subject to any reassignment on release of the security) with full title guarantee to the Borrower Security Trustee (as trustee for the Borrower Secured Creditors) the Benefit of any Interest the Chargor holds from time to time in and to each of the following assets (to the extent of such Chargor's interest):

- 1.2.1 all Rental Income and all of its other book and other debts and all Related Rights;
- 1.2.2 (to the extent not already assigned in this Clause 1.2) each Occupational Lease and any guarantee of Rental Income contained in or relating to any Occupational Lease;
- 1.2.3 each of the Borrower Transaction Documents;
- 1.2.4 (to the extent not already assigned in this Clause 1.2) all agreements, contracts, deeds, licences, undertakings, guarantees, covenants, warranties, representations and other documents entered into by, given to or otherwise benefiting the Chargor in respect of the Mortgaged Properties; and
- 1.2.5 the Third Party Insurance Policies and all Related Rights, including any Insurance Proceeds to which the Chargor is entitled.

## 2. FLOATING CHARGE

### 2.1 Creation of Floating Charge

- 2.1.1 The Chargor, as continuing security for the payment and discharge of all of the Borrower Secured Obligations, charges with full title guarantee in favour of the Borrower Security Trustee (as trustee for the Borrower Secured Creditors) by way of a first floating charge the whole of the undertaking, assets, property and rights of the Chargor, whatsoever and wheresoever,

present and future not otherwise effectively mortgaged, charged or assigned (whether at law or in equity) by way of fixed mortgage or charge or assignment by Clause 1 (*Fixed Security and Assignment*).

- 2.1.2 Paragraph 14 of Schedule B1 to the Insolvency Act applies to the floating charge created pursuant to Clause 2.1.

3. **NEGATIVE PLEDGE**

The Chargor shall not create or permit to subsist any Security Interest on any Nominees Charged Property other than any Security Interest created by this Deed or otherwise created in favour of the Borrower Security Trustee pursuant to the other Borrower Transaction Documents or any Permitted Security Interest.

4. **FURTHER ASSURANCE**

The Chargor shall (at the Chargor's cost) do and execute, or arrange for the doing and executing of, each act, document and thing reasonably requested of it by any Transaction Party referred to as an "Obligee" in such Transaction Document for the purposes of this paragraph which is necessary in order to implement and/or give effect to such Transaction Document and the Transaction contemplated by it.

## **APPENDIX 1**

### **Real Property**

1. The head leases, each dated 24 November 2003 and made between Tesco Stores Limited (1) and Tesco Property Partner (No. 1) Limited (2) for a term of 125 years from 24 November 2003, of the following:
  - 1.1 the land and buildings known as Tesco Stores, Mogden Lane, Twickenham TW7 7JY as the same is in the course of registration at the Land Registry under title numbers AGL125423 and AGL125418 respectively with title absolute and possessory title;
  - 1.2 the land and buildings on the south side of Boxbury Hill, Midsomer, Norton as the same is registered at the Land Registry under title number ST223736 with title absolute;
  - 1.3 the land being 31-33 George Street, Driffield as the same is registered at the Land Registry under title number YEA32065 with title absolute;
  - 1.4 the land and buildings known as Tesco Store, Shand Park, Axminster EX13 5NG as the same is in the course of registration at the Land Registry under title number DN491103 with title absolute;
  - 1.5 the land and buildings known as Stockmarket Site, Brigg as the same is in the course of registration at the Land Registry under title number HS313926 with title absolute;
  - 1.6 the land and buildings on the south side of Easton Lane, Winnall, Winchester as the same is in the course of registration at the Land Registry under title number HP638793 with title absolute;
  - 1.7 the land and buildings known as Court Mills, Station Road, Hook as the same is in the course of registration at the Land Registry under title number HP638892 with title absolute;
  - 1.8 the land and buildings lying to the west of High Street, Uckfield as the same is in the course of registration at the Land Registry under title number ESX273590 with title absolute;
  - 1.9 the land and buildings known as Tesco Superstore, Kings Meadow, Reading as the same is in the course of registration at the Land Registry under title number BK386719 with title absolute;
  - 1.10 the land being Tesco Store, Pringle Drive, Bicester, Oxfordshire as the same is registered at the Land Registry under title number ON245482 with title absolute;
  - 1.11 the land being Tesco Store, Swiney Way, Toton, Beeston as the same is registered at the Land Registry under title number NT391764 with title absolute;
  - 1.12 the land on the south side of Corporation Road, Beverley as the same is registered at the Land Registry under title number YEA32180 with title absolute;

- 1.13 the leasehold land and buildings on the south side of Mill Lane, Henley-on-Thames as the same is registered at the Land Registry under title number ON245325 with title absolute;
- 1.14 the land and buildings known as the Tesco Superstore on the north side of Stratford Road, Solihull, West Midlands as the same is in the course of registration at the Land Registry under title number WM820760 with title absolute;
- 1.15 the land being the Tesco Superstore, Tebourba Way, Southampton as the same is registered at the Land Registry under title number HP638852 with title absolute;
- 1.16 the land being Tesco Store, Radwinter Road, Saffron Walden, Essex as the same is registered at the Land Registry under title number EX721012 with title absolute;
- 1.17 the land being Tesco Superstore, Askham Bar, Tadcaster Road, York as the same is registered at the Land Registry under title number NYK290531 with title absolute;
- 1.18 the land and buildings known as 58 High Street, Baldock SG7 6BN as the same is in the course of registration at the Land Registry under title number HD426509 with title absolute;
- 1.19 the land being Tesco Store Ipswich Road, Harford Bridge, Norwich as the same is registered at the Land Registry under title number NK303714 with title absolute;
- 1.20 the land being Tesco Store Stortford Road, Great Dunmow as the same is registered at the Land Registry under title number EX720996 with title absolute;
- 1.21 the land and buildings known as Tesco Store, Guards Avenue, Caterham, Surrey CR3 5QX as the same is in the course of registration at the Land Registry under title number SY726507 with title absolute;
- 1.22 the land and buildings on the north side of Castle Road, Kidderminster as the same is registered at the Land Registry under title number WR83114 with title absolute;
- 1.23 the land and buildings on north west side of Old Tiffield Road, Towcester as the same is registered at the Land Registry under title number NN242500 with title absolute;
- 1.24 the land and buildings known as land at Cedars Link, Stowmarket as the same is in the course of registration at the Land Registry under title number SK248283 with title absolute;
- 1.25 the land and buildings on the west side of Oxford Road, Brackley, Northampton as the same is registered at the Land Registry under title number NN242466 with title absolute;
- 1.26 the land and buildings known as land south of Southbury Road, Enfield as the same is in the course of registration at the Land Registry under title number AGL124700 with title absolute;

- 1.27 the land being Tesco Store Priory Industrial Estate, Tetbury as the same is registered at the Land Registry under title number GR268695 with title absolute;
  - 1.28 the land and buildings known at Moors Gardens, Tewkesbury, Cheltenham as the same is in the course of registration at the Land Registry under title number GR268713 with title absolute;
  - 1.29 the land being Kingston Road, Dereham, Norfolk as the same is registered at the Land Registry under title number NK303721, both with title absolute;
  - 1.30 the land and buildings at Tavistock Road, Launceston, Cornwall as the same is registered at the Land Registry under title number CL202119 with title absolute;
  - 1.31 the land and buildings known as the Tesco Superstore on the north side of Hurdsfield Road, Macclesfield, Cheshire as the same is in the course of registration at the Land Registry under title number CH516864 with title absolute; and
  - 1.32 the land and buildings known as Tesco Store, Caird Avenue, New Milton, Hampshire as the same is in the course of registration at the Land Registry under title number HP639795 with title absolute.
2. A head lease between Tesco Holdings Limited (1) and Tesco Property Partner (No. 1) Limited (2) for a term of 125 years from 24 November 2003 of all of the land and buildings known as Tesco Superstore, Duck Street, Clitheroe, Lancashire as the same is in the course of registration at the Land Registry (no title number has yet been allocated to the head lease title).
  3. The head leases between Tesco Distribution Limited (1) and Tesco Property Partner (No. 1) Limited (2) for a term of 125 years from 24 November 2003 of the following:
    - 3.1 the land and buildings known on the east side of Carters Lane, Kiln Farm Industrial Estate, Milton Keynes as the same is registered at the Land Registry under title number BM288786 with title absolute; and
    - 3.2 the land and buildings known as Plot E2, Daventry International Rail Freight Terminal, Northamptonshire as the same is in the course of registration at the Land Registry under title number NN 242512 with title absolute.

### **SCHEDULE 3 DEFINITIONS**

In this form 395:

**"Account Bank"** means HSBC Bank plc in its capacity as account bank, acting through its office at 8 Canada Square, London E14 5HQ, or such other substitute Account Bank appointed as the account bank of the Issuer and the Borrower from time to time, subject to and in accordance with the terms of the Account Bank and Cash Management Agreement;

**"Account Bank and Cash Management Agreement"** means the agreement so named dated on or about the Closing Date between the Issuer, the Borrower, the Account Bank, the Cash Manager, the Borrower Security Trustee and the Bond Trustee;

**"Agency Agreement"** means the agreement so named dated on or about the Closing Date between the Issuer, the Agents and the Bond Trustee;

**"Agent Bank"** means HSBC Bank plc in its capacity as agent bank acting through its office at 8 Canada Square, London E14 5HQ in accordance with the terms of the Agency Agreement or such other entity or entities appointed as agent bank from time to time subject to and in accordance with the Agency Agreement;

**"Agents"** means the Agent Bank and the Paying Agents and **"Agent"** means any one of them;

**"Agreement for Sale"** or **"Agreement for Sale and Leaseback"** means, an agreement for sale dated 24 November 2003 and made between the General Partner, Tesco Property Partner (No.1) Limited and the Nominee;

**"Ancillary Rights"** means in relation to an Interest, all ancillary rights, accretions and supplements to such Interest, including any guarantees or indemnities in respect of such Interest;

**"Beneficiary Undertaking"** means a beneficiary undertaking given by the Borrower in favour of the Borrower Security Trustee, dated on or about the Closing Date;

**"Benefit"** in respect of any Interest held, assigned, conveyed, transferred, charged, sold or disposed of by any person means:

- (a) all right, title, interest and benefit, present and future, actual and contingent (and interests arising in respect thereof) of such person in, to, under and in respect of such Interest and all Ancillary Rights in respect of such Interest;
- (b) all monies and proceeds payable or to become payable under, in respect of, or pursuant to such Interest or its Ancillary Rights and the right to receive payment of such monies and proceeds and all payments made including, in respect of any bank account, all sums of money which may at any time be credited to such bank account together with all interest accruing from time to time on such money and the debts represented by such bank account;

- (c) the benefit of all covenants, undertakings, representations, warranties and indemnities in favour of such person contained in or relating to such Interest or its Ancillary Rights;
- (d) the benefit of all powers of and remedies for enforcing or protecting such person's right, title, interest and benefit in, to, under and in respect of such Interest or its Ancillary Rights, including the right to demand, sue for, recover, receive and give receipts for proceeds of and amounts due under or in respect of or relating to such Interest or its Ancillary Rights; and
- (e) all items expressed to be held on trust for such person under or comprised in any such Interest or its Ancillary Rights, all rights to deliver notices and/or take such steps as are required to cause payment to become due and payable in respect of such Interest and its Ancillary Rights, all rights of action in respect of any breach of or in connection with any such Interest and its Ancillary Rights and all rights to receive damages or obtain other relief in respect of such breach;

**"Bond Trustee"** means HSBC Trustee (C.I.) Limited in its capacity as Bond Trustee under the Trust Deed or such other entity or entities appointed as bond trustee from time to time subject to and in accordance with the Trust Deed;

**"Bonds"** means the Class A Bonds, the Class B1 Bonds and the Class B2 Bonds, unless the context otherwise requires, to the extent New Bonds are issued, includes the holders of any New Bonds and **"Bond"** means any one of them;

**"Borrower"** means The Tesco Property Limited Partnership, a limited partnership established in England and Wales with registered number LP9052;

**"Borrower Charged Property"** means the Partnership Charged Property, the GP Charged Property, the Nominees Charged Property and the Nominees HoldCo Charged Property;

**"Borrower Deed of Charge"** means the deed so named dated on or about the Closing Date between, *inter alios*, the Borrower, the General Partner and the Borrower Security Trustee and includes, where the context so admits, any further or supplemental deed, charge or security granted pursuant thereto;

**"Borrower Secured Creditors"** means the secured parties under the Borrower Security Documents, namely:

- (a) the Borrower Security Trustee (for itself and for and on behalf of the Borrower Secured Creditors);
- (b) the Issuer;
- (c) the Cash Manager;
- (d) the Account Bank;
- (e) the Liquidity Facility Provider;

- (f) the Nominees/ Nominees HoldCo Corporate Services Provider;
- (g) the Operator;
- (h) the Nominees;
- (i) the Property Pool Manager;
- (j) any Receiver appointed under the Borrower Security Documents; and

any other creditor who accedes to the Borrower Deed of Charge from time to time in accordance with its terms and is designated a Borrower Secured Creditor;

**"Borrower Secured Obligations"** means the aggregate of:

- (a) all present and future monies, obligations and Liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) which from time to time are or may become due, owing or payable by the Borrower to each, some or any of the Borrower Secured Creditors under the Borrower Transaction Documents;
- (b) all present and future monies, obligations and Liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) which from time to time are or may become due, owing or payable by the Nominees to each, some or any of the Borrower Secured Creditors under the Borrower Transaction Documents;
- (c) all present and future monies, obligations and Liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) which from time to time are or may become due, owing or payable by Nominees HoldCo to each, some or any of the Borrower Secured Creditors under the Borrower Transaction Documents; and
- (d) all present and future monies, obligations and Liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) which from time to time are or may become due, owing or payable by the General Partner to each, some or any of the Borrower Secured Creditors under the Borrower Transaction Documents;

**"Borrower Security Documents"** means:

- (a) the Borrower Deed of Charge;
- (b) the Nominees Deed of Charge;
- (c) the Nominees HoldCo Deed of Charge;
- (d) any power of attorney executed and delivered by the Borrower, the General Partner, the Nominees and Nominees HoldCo respectively pursuant to the terms of any Borrower Security Document; and



any other document or instrument granted in favour of the Borrower Security Trustee (on behalf of the Borrower Secured Creditors) creating or evidencing the security for all or any part of the Borrower Secured Obligations);

**"Borrower Security Trustee"** means HSBC Trustee (C.I.) Limited a limited liability company incorporated in Jersey, having its registered office at 1 Grenville Street, St. Helier, Jersey JE4 9PF, Channel Islands in its capacity as security trustee for the Borrower Secured Creditors or such other entity appointed as borrower security trustee from time to time, subject to and in accordance with the terms of the Borrower Security Documents;

**"Borrower Transaction Documents"** means the Common Terms and Definitions Deed, the Nominees Side Letter, the General Partner Side Letter and the Nominee HoldCo Side Letter, the Intercompany Loan Agreement, the Borrower Security Documents, the Option Agreements, the Account Bank and Cash Management Agreement, the Liquidity Facility Agreement, the Occupational Leases, the Deed of Variation, the Agreement for Sale, the Transfers, the Property Pool Management Agreement, the Beneficiary Undertaking, the Tax Deed of Covenant, the Substitution Agreement, the Partnership Agreement, the Declaration of Trust, the Nominees/Nominees HoldCo Corporate Services Agreement, the Property Advisor Engagement Letter, the Subscription Agreement, the Reversion Option Agreement or any other document designated as such from time to time by the Borrower and the Borrower Security Trustee, and **"Borrower Transaction Document"** means each or any of them;

**"business day"** means a Business Day or, in the case of Condition 7(f) (*Payments*), a day on which commercial banks settle payments and are open for general business in the place where any Coupon or Bond is presented for payment;

**"Business Day"** means, unless the context otherwise requires, a day (other than a Saturday or Sunday) on which commercial banks settle payments and are open for general business in London;

**"Cash Manager"** means HSBC Bank plc, in its capacity as cash manager for the Borrower and the Issuer, acting through its registered office at 8 Canada Square, London E14 5HQ, or such other entity or entities appointed as cash manager from time to time, subject to and in accordance with the terms of the Account Bank and Cash Management Agreement;

**"Class A Bonds"** means the £382,500,000 Class A Secured 5.5457 per cent. Bonds due 2029 issued or due to be issued by the Issuer on the Closing Date and any further Class A Bonds issued after the Closing Date pursuant to Condition 18 (*Further Issues and New Issues*), such Bonds being consolidated, and forming a single series with the Class A Bonds issued on the Closing Date, or, as the case may be, a specific number thereof, whether represented by Class A Definitive Bonds or Class A Global Bonds;

**"Class A Definitive Bonds"** means any Class A Bonds issued in definitive bearer form in, or substantially in, the form set out in Part 1 of Schedule 3 of the Trust Deed;

**"Class A Global Bonds"** means each Class A Temporary Global Bond and each Class A Permanent Global Bond;

**"Class A Permanent Global Bond"** means any permanent global bond representing the Class A Bonds in, or substantially in, the form set out in Schedule 2 of the Trust Deed;

**"Class A Temporary Global Bond"** means any temporary global bond representing the Class A Bonds in, or substantially in, the form set out in Schedule 1 of the Trust Deed;

**"Class B Bonds"** means the Class B1 Bonds together with the Class B2 Bonds;

**"Class B Definitive Bonds"** means any Class B Bonds issued in definitive bearer form in, or substantially in, the form set out in Part 1 of Schedule 3 of the Trust Deed;

**"Class B Permanent Global Bond"** means any permanent global bond representing the Class B Bonds in, or substantially in, the form set out in Schedule 2 of the Trust Deed;

**"Class B1 Bonds"** means the £200,000,000 Class B1 Secured 6.0670 per cent. Bonds due 2029 issued or due to be issued by the Issuer on the Closing Date and any further Class B1 Bonds issued after the Closing Date pursuant to Condition 18 (*Further Issues and New Issues*), such Bonds being consolidated, and forming a single series with the Class B1 Bonds issued on the Closing Date, or, as the case may be, a specific number thereof, whether represented by Class B1 Definitive Bonds or Class B1 Global Bonds;

**"Class B2 Bonds"** means the £50,000,000 Class B2 Secured Floating Rate Bonds due 2029 issued or due to be issued by the Issuer on the Closing Date and any further Class B2 Bonds issued after the Closing Date pursuant to Condition 18 (*Further Issues and New Issues*), such Bonds being consolidated, and forming a single series with the Class B2 Bonds issued on the Closing Date, or, as the case may be, a specific number thereof, whether represented by Class B2 Definitive Bonds or Class B2 Global Bonds;

**"Closing Date"** means 7 April 2004;

**"Common Terms and Definitions Deed"** means the deed so named dated on or about the Closing Date and signed by each of the Transaction Parties as a deed;

**"Declaration of Trust"** or **"Deed of Trust"** means a declaration of trust made on 24<sup>th</sup> November 2003 as amended, varied or supplemented in which the Nominees declared that they hold the Mortgaged Properties on trust for the Beneficiary;

**"Deed of Variation"** means the deed so named dated on 16 March 2004 between the Nominees, the Occupational Tenants and Tesco Plc to vary the Occupational Leases;

**"Definitive Bonds"** means any Class A Bonds, Class B Bonds or New Bonds issued in definitive form;

**"Determination Date"** means the date falling two Business Days prior to each Payment Date and, in relation to any Payment Date, the **"Related Determination Date"** means, unless the context otherwise requires, the Determination Date immediately preceding such Payment Date;

**"Eligible Investments"** means:

- (a) sterling gilt-edged securities; and
- (b) sterling demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper), provided that in all cases (i) such investments have a maturity date falling no later than the next following Payment Date, and (ii) the short-term unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an authorised bank under the Financial Services and Markets Act 2000) are rated A-1 by S&P, F-1 by Fitch and P-1 by Moody's or higher (or such other credit rating as may be approved by the Rating Agencies from time to time);

**"Final Payment Date"** means 19 February 2029;

**"Founder Limited Partner"** means Tesco Property Partner (No.1) Limited;

**"General Partner"** means Tesco Property Partner (GP) Limited, a limited liability company incorporated in England and Wales with registered number 494955;

**"GP Charged Property"** means all Interests of the General Partner the subject of any security created by the Borrower Deed of Charge;

**"Guarantee"** means the guarantee and indemnity given by the Guarantor to the Landlord under each Occupational Lease as a guarantee of, and an indemnity for, the performance by each Occupational Tenant of all covenants, undertakings and obligations contained in, and payment of all rents and other sums due to the Landlord pursuant to, the Occupational Leases;

**"Guarantor"** means Tesco Plc in its capacity as guarantor pursuant to the Guarantee of each Occupational Lease;

**"Insurance Proceeds"** means all monies received or receivable under any Third Party Insurance Policy in respect of damage or destruction to any Borrower Charged Property, including a Mortgaged Property;

**"Intercompany Loan Agreement"** means the Intercompany Loan Agreement dated on or about the Closing Date between the Issuer, the Borrower, the General Partner, the Nominees, the Borrower Security Trustee, Nominees HoldCo and the Cash Manager;

**"Interest"** means any asset including any agreement, bank account, property or right;

**"Investor Limited Partner"** means Dawberry Properties Limited;

**"Issuer"** means Delamare Finance plc, a public limited company incorporated in England and Wales with registered number 5069866 and having its registered office at Blackwell House, Guildhall Yard, London EC2V 5AE, as issuer of the Bonds;

**"Issuer Charged Accounts"** means the Issuer Transaction Account, together with any other account in which the Issuer may at any time have or acquire a Benefit and all of its other book debts referable to any bank or similar account, present and future, the proceeds of the same and all other monies due and payable to it and the benefit of all rights, securities and

guarantees of any nature enjoyed or held by it in relation to any of the foregoing pursuant to or in accordance with the Issuer Transaction Documents;

**"Issuer Corporate Services Provider"** means Structured Finance Management Limited, acting through its office at Blackwell House, Guildhall Yard, London EC2V 5AE or such other substitute issuer corporate services provider appointed as such, subject to and in accordance with the terms of the Issuer Corporate Services Agreement;

**"Issuer Deed of Charge"** means the deed so named dated on or about the Closing Date between the Issuer, the Bond Trustee, the Account Bank, the Swap Provider, the Agents, the Cash Manager, the Issuer Corporate Services Provider and the Borrower and includes, where the context so admits, any further or supplemental deed, charge or security granted pursuant thereto;

**"Issuer Secured Creditors"** means:

- (a) the Bond Trustee (for itself and for and on behalf of the other Issuer Secured Creditors and the Bondholders);
- (b) the Swap Provider;
- (c) the Cash Manager;
- (d) the Account Bank;
- (e) the Agents;
- (f) the Issuer Corporate Services Provider;
- (g) the Borrower;
- (h) any Receiver appointed under the Issuer Deed of Charge; and

any other creditor who accedes to the Issuer Deed of Charge from time to time in accordance with its terms and is designated an Issuer Secured Creditor;

**"Issuer Secured Obligations"** means the aggregate of all monies and Liabilities which from time to time are or may become due, owing or payable by the Issuer to each, some or any of the Issuer Secured Creditors under the Bonds or the Issuer Transaction Documents;

**"Issuer Transaction Documents"** means the Intercompany Loan Agreement, the Swap Agreement, the Swap Guarantee, the Agency Agreement, the Account Bank and Cash Management Agreement, the Issuer Deed of Charge, the Trust Deed, the Tax Deed of Covenant, the Issuer Corporate Services Agreement, the Common Terms and Definitions Deed and the Subscription Agreement and any other document, assignment or deed designated as such by the Issuer and the Bond Trustee and **"Issuer Transaction Document"** means each or any of them;

**"Lead Manager"** means Morgan Stanley & Co International Limited;

**"Liabilities"** means, in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses or other liabilities whatsoever (including legal fees and penalties and any part of such item as represents any VAT but excluding Tax imposed on, or calculated by reference to, that person's net income, profit or gains) incurred by that person or for which that person is legally liable and any awards, claims, demands, judgments, actions or proceedings made or taken against that person;

**"Limited Partners"** means the Founder Limited Partner and the Investor Limited Partner;

**"Liquidity Facility"** means the committed, sterling, revolving liquidity facility made available to the Borrower by the Liquidity Facility Provider in accordance with the terms of the Liquidity Facility Agreement;

**"Liquidity Facility Agreement"** means the agreement so named dated on or about the Closing Date between the Borrower, the Liquidity Facility Provider and the Borrower Security Trustee;

**"Liquidity Facility Provider"** means Lloyds TSB Bank plc in its capacity as liquidity facility provider, acting through its office at 25 Monument Street, London EC3R 8BQ, or such other entity appointed as liquidity facility provider from time to time, subject to and in accordance with the terms of the Liquidity Facility Agreement;

**"Managers"** means the Lead Manager and The Royal Bank of Scotland acting through its office at 135 Bishopsgate, London EC2M 3UR, Royal Bank of Canada acting through its office at 71 Queen Victoria Street, London EC4V 4DE and BNP Paribas acting through its office at 10 Harewood Avenue, London NW1 6AA;

**"Mortgaged Properties"** means, at any time, an interest in any property over which the Borrower or the Nominees have granted a mortgage or fixed charge pursuant to the terms of the Borrower Deed of Charge or the Nominees Deed of Charge (including any Incoming Properties and excluding any Outgoing Properties) and **"Mortgaged Property"** means each or any of them;

**"New Bonds"** has the meaning given to it in Condition 18 (*Further Issues and New Issues*);

**"Nominees"** means Nominee 1 and Nominee 2, established for the principal purposes of holding the legal title of the Mortgaged properties on trust for the Borrower and **"Nominee"** means each of them;

**"Nominees Charged Property"** or **"Nominee Charged Property"** means all Interests of the Nominees which are subject to the Security Interests created by the Nominees Deed of Charge;

**"Nominee 1"** means Tesco Property (Nominees) (No. 1) Limited, a limited liability company incorporated in England and Wales with company registration number 04966637;

**"Nominee 2"** means Tesco Property (Nominees) (No. 2) Limited, a limited liability company incorporated in England and Wales with company registration number 04966635;

**"Nominee Side Letter"** means the letter entered into between the Borrower and the Nominees whereby the Borrower agrees to, *inter alia*, pay the Nominees a fee on the Closing Date in respect of, *inter alia*, the granting of the floating charges by the Nominees to the Borrower Security Trustee pursuant to the terms of the Nominees Deed of Charge;

**"Nominees Charged Property" or "Nominee Charged Property"** means all Interests of the Nominees which are subject to the Security Interests created by the Nominees Deed of Charge;

**"Nominees Deed of Charge" or "Nominee Deed of Charge"** means the deed so named dated on or about the Closing Date between the, *inter alios*, Nominees and the Borrower Security Trustee and includes, where the context so admits, any further or supplemental deed, charge or security granted pursuant thereto;

**"Nominees HoldCo" or "Nominee HoldCo"** means Tesco Property (Nominees) Limited, a limited liability company incorporated in England and Wales with registered number 4945975;

**"Nominees HoldCo Charged Property" or "Nominee HoldCo Charged Property"** means all Interests of Nominees HoldCo the subject of any Nominees HoldCo Security;

**"Nominees HoldCo Deed of Charge" or "Nominee HoldCo Deed of Charge"** means the deed so named dated on or about the Closing Date between, *inter alios*, Nominees HoldCo and the Borrower Security Trustee and includes, where the context so admits, any further or supplemental deed, charge or security granted pursuant thereto;

**"Nominees HoldCo Side Letter"** means the letter entered into between the Borrower and the Nominees HoldCo whereby the Borrower agrees to pay the Nominees HoldCo a fee on the Closing Date in respect of the granting of the floating charge by the Nominees HoldCo to the Borrower Security Trustee pursuant to the terms of the Nominees HoldCo Deed of Charge;

**"Nominees/Nominees HoldCo Corporate Services Provider"** means Structured Finance Management Limited, acting through its office at Blackwell House, Guildhall Yard, London EC2V 5AE, or such other substitute Nominees/HoldCo corporate services provider appointed as such, subject to and in accordance with the terms of the Nominees/HoldCo Corporate Services Agreement;

**"Nominees/Nominees HoldCo Corporate Services Agreement"** means the agreement so named dated on or about the Closing Date between the Nominees, Nominees HoldCo, the Borrower Security Trustee and the Nominees/Nominees HoldCo Corporate Services Provider;

**"Occupational Leases"** means the underleases, as varied, amended or supplemented of the Mortgaged Properties to which the Headleases are subject, granted to the Occupational Tenants and guaranteed by the Guarantor being, as at the Closing Date, the underleases detailed in Schedule 4 to the Substitution Agreement, and includes any underlease of any Incoming Property and **"Occupational Lease"** means, any, or all, of them;

**"Occupational Tenants"** means the tenants under the Occupational Leases being, as at the Closing Date, Tesco Stores Limited (with company number 519500) and Tesco Distribution Limited (with company number 2972724);

**"Operator"** means Mourant & Co. Capital Trustees Limited, a company incorporated in England and Wales having its registered office at 4 Royal Mint Court, London EC3N 4HJ, in its capacity as operator acting through its office at 4 Royal Mint Court, London EC3N 4HJ or such other entity or entities appointed as operator from time to time subject to, and in accordance with the Operator's Agreement;

**"Operating Agreement"** means the operating agreement dated on or about the Closing Date between, *inter alios*, the Operator and the Borrower;

**"Option Agreements"** means the Property Option Agreement and the Topland Option Agreement and **"Option Agreement"** means either of them;

**"Partnership Agreement"** means the agreement dated 18 November 2003, as amended and restated by a letter of variation dated 24 November 2003 and as further amended and restated on or prior to the Closing Date;

**"Partnership Charged Property"** means all Interests of the Borrower which are subject to the Partnership Security;

**"Payment Date"** means the 5 January, 5 April, 5 July and 5 October in each year commencing on the Payment Date falling in July 2004, provided that the final payment date shall be the Final Payment Date, and provided that if any such day is not a Business Day, the Payment Date shall be the immediately succeeding Business Day, and, in relation to any Determination Date, the **"related Payment Date"** means, unless the context otherwise requires, the Payment Date immediately succeeding such Determination Date;

**"Principal Paying Agent"** means HSBC Bank plc in its capacity as principal paying agent acting through its office at 8 Canada Square, London E14 5HQ or such other entity or entities appointed as principal paying agent from time to time subject to and in accordance with the terms of the Agency Agreement;

**"Property Advisor"** means Cushman & Wakefield Healey & Baker in its capacity as property advisor acting through its office at 43-45 Portman Square, London W1A 3BG or such other entity or entities appointed as property advisor from time to time;

**"Property Advisor Engagement Letter"** means the property advisor engagement letter dated on or about the Closing Date and made between, *inter alios*, the Borrower and the Property Advisor;

**"Property Option Agreement"** means (a) an agreement so named dated on or about the Closing Date and made between the Nominees, the Occupational Tenants, the Borrower and the Borrower Security Trustee granting each Occupational Tenant the option to acquire each of the Mortgaged Properties leased to it individually at the end of the term of each

Occupational Lease and (b) any further option agreement entered into pursuant to the terms of the Substitution Agreement;

**"Property Pool Management Agreement"** means the agreement so named dated on or about the Closing Date between the Operator, the Borrower, the Nominees, the Issuer, the Borrower Security Trustee, the Cash Manager and the Property Pool Manager;

**"Property Pool Manager"** means Tesco Property Holdings Limited in its capacity as such under the Property Pool Management Agreement, or any substitute property pool manager appointed pursuant to the Property Pool Management Agreement from time to time;

**"Receiver"** means any receiver, manager, receiver and manager or administrative receiver who (in the case of an administrative receiver) is a qualified person in accordance with the Insolvency Act 1986 and who is appointed:

- (a) by the Borrower Security Trustee under Clause 14 (*Appointment and removal of Administrator and Receiver*) of the Borrower Deed of Charge in respect of the whole or any part of the Borrower Charged Property, under any Borrower Security Document; or
- (b) by the Bond Trustee under Clause 17 (*Appointment and Removal of Administrator and Receiver*) of the Issuer Deed of Charge in respect of the whole or any part of the Issuer Charged Property;

**"Related Rights"** means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and

any moneys and proceeds paid or payable in respect of that asset;

**"Rental Income"** means the rent payments payable by each Occupational Tenant and any other amounts payable by the Occupational Tenant or the Guarantor pursuant to each Occupational Lease or Clause 9 (*Compulsory Purchase Proceedings*) of the Substitution Agreement;

**"Reversion Option Agreement"** means an agreement dated on or about the Closing Date between the Occupational Tenants, Tesco Holdings Limited, the Borrower, the Nominees and the Borrower Security Trustee granting the borrower the option to purchase the immediate reversions to the Mortgaged Properties on 21 February 2011 and any further option agreement entered into pursuant to the terms of the Substitution Agreement;

**"Subscription Agreement"** means the Subscription Agreement dated on or about the Closing Date between the Issuer, the Managers, Tesco Plc and the Obligors;



**"Substitution Agreement"** means the agreement for substitution, alteration and adjoining land developments dated on or about the Closing Date between each of the Nominees, the Occupational Tenants, Tesco Holdings Limited, the General Partner (on behalf of the Borrower), the Borrower Security Trustee and Tesco plc;

**"Swap Agreement"** means the swap agreement entered into by the Issuer with the Swap Provider on or about the Closing Date or any other interest rate swap agreement or other agreement evidencing a Treasury Transaction (together with any related or ancillary documentation) between the Issuer and a Swap Provider in connection with the issue of Further B2 Bonds or New Bonds, and **"Swap Agreements"** means all such agreements entered into by the Issuer with any Swap Provider;

**"Swap Guarantee"** means the swap guarantee executed by the Swap Guarantor dated on or about the Closing Date;

**"Swap Guarantor"** means Morgan Stanley;

**"Swap Provider"** means Morgan Stanley Capital Services Inc. or any other counterparty to a Swap Agreement which accedes to the Issuer Deed of Charge in accordance therewith, and **"Swap Providers"** means any or all such parties;

**"Tax Deed of Covenant"** means the deed of covenant dated on or about the Closing Date and made between, *inter alios*, the Issuer, the General Partner, Tesco plc, the Limited Partners, the Bond Trustee and the Borrower Security Trustee, as the same may be amended or supplemented from time to time;

**"Third Party Insurance Policies"** means all contracts and policies of insurance in relation to some or all of the Mortgaged Properties and any other contract or policy of insurance taken out by or on behalf of the Occupational Tenants, the Borrower, the Nominees and the Borrower Security Trustee, as co-insured, or in which the Occupational Tenants, the Borrower, the Nominees and the Borrower Security Trustee may have an interest from time to time with any party that is not a member of the Tesco Group, and **"Third Party Insurance Policy"** means any of them, provided that **"Third Party Insurance Policies"** shall not include the Restrictive Covenant Indemnity for purposes of the Intercompany Loan Agreement;

**"Transaction Documents"** means the Issuer Transaction Documents and the Borrower Transaction Documents and a **"Transaction Document"** means each or any of them;

**"Transaction Party"** means any person who is a party to a Transaction Document and **"Transaction Parties"** means some or all of them;

**"Transfers"** means the transfers of the Mortgaged Properties by Tesco Property Partner (No.1) Limited to the Nominees (at the direction of the Borrower) before the Closing Date, in each case in accordance with an agreed form of transfer;

**"Treasury Transaction"** means any currency or interest rate purchase cap or collar agreement, forward rate agreement, interest rate or currency future or option contract, foreign

exchange or currency purchase or sale agreement, interest rate swap currency swap or combined interest rate and currency swap agreement and any other similar agreement;

**"Trust Deed"** means the deed so named on or about the Closing Date between the Issuer and the Bond Trustee and any document expressed to be supplemented to the Trust Deed;

**"VAT"** or **"value added tax"** means the tax imposed in conformity with the Sixth Directive of the Council of the European Economic Communities (77/388/EEC) (including, in relation to the United Kingdom, value added tax imposed by the Value Added Tax Act 1994 and legislation and regulations supplemental thereto) and any other tax of a similar fiscal nature substituted for, or levied in addition to, such tax whether imposed in a member state of the European Union or elsewhere.

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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. 04966637

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A NOMINEES DEED OF CHARGE DATED THE 7th APRIL 2004 AND CREATED BY TESCO PROPERTY (NOMINEES) (NO.1) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE BORROWER, THE NOMINEES, NOMINEES HOLDCO AND THE GENERAL PARTNER TO EACH, SOME OR ANY OF THE BORROWED SECURED CREDITORS 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 22nd APRIL 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 26th APRIL 2004.

*h*



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES



*Companies House*

— for the record —