

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)

For official use

Company number

[2][1][1]

5118836

Name of company

* LS Greater London House Limited (the "Company")

Date of creation of the charge

3 November 2004

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

Security Trust and Intercreditor Deed made between Deutsche Trustee Company Limited as Obligor Security Trustee, Land Securities Capital Markets PLC, Deutsche Trustee Company Limited as Note Trustee and the Parties listed in Schedule 1 thereto.

Amount secured by the mortgage or charge

The payment and discharge of the Secured Obligations (excluding, in the case of the floating charge referred to below, the OFCA Secured Obligations). (Please see attached Definition Schedule for definitions.)

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

Deutsche Trustee Company Limited,
Winchester House,
1 Great Winchester Street, London

Postcode EC2N 2DB

Presentor's name address and
reference (if any):Slaughter and May (Ref:KIH/AGZL)
One Bunhill Row
London
EC1Y 8YY
LSGreater_M395_12.11.04

Time critical reference

For official Use
Mortgage Section

Post room

LD3
COMPANIES HOUSE

LOF4E8AG

0471
16/11/04

Short particulars of all the property mortgaged or charged

By way of first fixed charge with full title guarantee (which so far as it relates to (i) land in England and Wales under (1) below shall be a charge by way of first ranking legal mortgage and (ii) any Real Property charged under (2) below shall be a charge by way of first ranking equitable mortgage) all rights, title and interests of the Company from time to time in and to each of:

- (1) the Original Mortgaged Properties;
- (2) (subject to any Permitted Encumbrances referred to in paragraph (h) of the definition thereof) any Real Property now or hereafter belonging to it (other than that mortgaged under (1) above);
- (3) all plant, machinery and other chattels owned by it and situated in or at its Mortgaged Properties;
- (4) the Obligor Accounts (including all moneys (including interest) from time to time standing to the credit of each Obligor Account);
- (5) all Shares held by it and all dividends, interest and other monies receivable by it from time to time in respect of such Shares (including redemption, any bonus or any rights arising under any preference, option, substitution or conversion relating to such Shares);
- (6) all its rights under any agreement relating to the purchase of its Mortgaged Properties;
- (7) all Intellectual Property Rights but only insofar and to the extent that such Intellectual Property Rights are used by it in connection with its Mortgaged Properties;
- (8) all interest in any Eligible Investments held by or on behalf of it;
- (9) all of its goodwill;
- (10) all of its uncalled share capital; and
- (11) all Monetary Claims and all Related Rights in respect of such Monetary Claims, other than any claims and rights which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to the Security Trust and Intercreditor Deed.

(Please See Continuation Sheet)

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

Slaughter and May

Date

15/11/04

On behalf of ~~(company) (mortgagee/chargee)~~

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

11-11-60

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

5118836

Name of Company

LS Greater London House Limited (the "Company")

Limited*

* delete if
inappropriate

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

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

By way of assignment with full title guarantee by way of security all rights, title and interests of the Company from time to time in and to each of:-

- (A) all Rental Income (including all its rights under any guarantee or security interest in respect of Rental Income contained in or relating to any Leasing Agreement);
- (B) all proceeds receivable by it in respect of any claims made by it under the Insurance Policies and of all Related Rights in respect of those Insurance Policies; and
- (C) all Obligor Transaction Documents (excluding the Reorganisation Documents) to which it is a party provided that any assignment of the rights, title and interests in respect of the Swap Agreements are without prejudice to any rights or obligations in relation to netting-off provided for under such Swap Agreements.

By way of assignment for the purposes of Article 2(6) of the Jersey Security Interests Law all rights, title and benefits, both present and future, to any Jersey Collateral which has accrued or may accrue to the Company.

By way of first floating charge all present and future assets and undertakings of the Company.

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

Definitions Schedule

"**" means multiplied by.

"£" means the lawful currency of the United Kingdom as at the Exchange Date.

"**Acceleration**" means an acceleration of the Secured Obligations (or equivalent action) including, in the case of:

- (a) any Loan (other than any Contingency Bond), the declaration that the principal amount thereof is immediately due and payable on demand and the making of a demand therefor;
- (b) any Contingency Bond, demanding that the liability of each Obligor thereunder be immediately collateralised by paying to the Obligor Security Trustee a sum equal to the maximum contingent liability thereunder;
- (c) any Swap Agreement, the early termination of any obligations (whether by reason of an event of default, termination event or other right of early termination) thereunder; or
- (d) any finance lease, the termination of the same by the lessor or the demand by the lessor for the prepayment of all amounts due to accrue thereunder,

(and "**Accelerate**" shall be construed accordingly).

"**Accepted Restructuring Purpose**" bears the meaning given to such term in Clause 4.1.1 (*Obligors May Propose Amendments*) of the Common Terms Agreement.

"**Account Bank**" means Lloyds TSB Bank plc, acting in such capacity through its office at Bailey Drive, Gillingham Business Park, Gillingham, Kent, ME8 0LS, or such other entity or entities appointed as account bank 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 account bank and cash management agreement dated on or about the Exchange Date and entered into between the Obligors, the Issuer, the Account Bank, the Cash Manager, the Servicer, the Obligor Security Trustee and the Note Trustee.

"**Accounting Principles Confirmation**" bears the meaning given to such term in Clause 12.9.1(b) (*Proposed Accounting Principles*) of the Common Terms Agreement.

"**Accounts**" means the Issuer Accounts and the Obligor Accounts.

"**ACF Agreement**" means the Initial ACF Agreement or a Further ACF Agreement.

"**ACF Loan**" means the principal amount of each borrowing or contingent liability or other form of Financial Indebtedness of an Obligor under an ACF Agreement.

"**ACF Loan Payment Date**" means, for any ACF Loan, any date for the payment of interest thereon or the repayment of principal thereof.

"**ACF Provider**" means an Initial ACF Provider or a Further ACF Provider.

"**ACF Providers' Confirmation**" means, in respect of any matter, a confirmation from a Representative (of one or more ACF Providers) that it has been duly instructed on such matter

by such ACF Provider (or the requisite instructing group of ACF Providers) in accordance with the relevant ACF Agreement.

"Acquisition" means the introduction into the Estate (by way of purchase or otherwise) of any legal or beneficial interest in any real estate and includes any acquisition of shares in any company or other entity which owns any such interest in any real estate property which shall be treated as the acquisition of the interest in the real estate property in question (and **"Acquire"** shall be construed accordingly).

"Actually Prepay" means, in respect of:

- (a) a Non-Contingent Loan which is not a Revolving Loan, to repay all or part of the principal of such Financial Indebtedness at a time when such principal would not have been due or repayable, but for the delivery of a voluntary notice of prepayment by the relevant borrower;
- (b) a Non-Contingent Loan which is a Revolving Loan, to repay (and not concurrently redraw under the same Loan facility) principal on such loan prior to the service of a Loan Acceleration Notice,

and **"Actually Prepaying"**, **"Actual Prepayment"** and **"Actually Prepaid"** are to be construed accordingly.

"Additional Assets" with respect to any Obligor, means assets which are included in such Obligor's balance sheet (as contained in its Latest Accounts), excluding:

- (a) real estate;
- (b) rental income, service charges or other income or recoveries relating to real estate;
- (c) an Obligor Account (excluding a Collection Account and any Operating Account) or the debt represented thereby;
- (d) prepayments or accruals (including amounts arising by reason of UITF 28);
- (e) intercompany debtor balances, guarantees or bonds or Monetary Claims owing between Obligors; and
- (f) an asset over which any Encumbrance (other than any floating charge) has been created.

"Additional Calculation Date" bears the meaning given to such term in Clause 12.4.1 (*Selection of Additional Calculation Date*) of the Common Terms Agreement.

"Additional LTV" bears the meaning given to such term in Clause 12.4.3(a) (*Tests on Additional Calculation Date*) of the Common Terms Agreement.

"Additional Mortgaged Property" means a Nominated Eligible Property which has become part of the Estate following the satisfaction of the relevant conditions set out in Clause 3.1 (*Addition of Mortgaged Properties*) of the Common Terms Agreement.

"Additional Obligor" means each nominated Eligible Obligor which has executed an Obligor Accession Deed and Tax Deed Accession Deed, immediately following the countersignature of that deed by the Obligor Security Trustee and the Note Trustee.

"Additional Projected ICR" bears the meaning given to such term in Clause 12.4.3(b) (*Tests on Additional Calculation Date*) of the Common Terms Agreement.

"Additional Tier Determination Date" means in respect of the Additional Tier Tests conducted in respect of any Proposed Additional Transaction:

- (a) if such Additional Tier Tests will result in a more restrictive Covenant Regime applying, the date immediately before the relevant Proposed Completion Date; or
- (b) if such Additional Tier Tests will result in the same or a less restrictive Covenant Regime applying, the date upon which all elements of such transaction are completed.

"Additional Tier Test" means, in respect of each Proposed Additional Transaction, the calculations of the Additional LTV, the Additional Projected ICR and (if the Obligors have elected to calculate the Pro Forma Historical ICR in respect of that proposed transaction) the Pro Forma Historical ICR.

"Adjusted Principal Amount" means, in respect of any Financial Indebtedness, the Principal Amount Outstanding of such indebtedness, as calculated in accordance with the principles set out in paragraphs (a) to (d) (inclusive) of the definition of "Security Group Net Debt Outstanding".

"Administrative Receiver" shall mean an administrative receiver as defined in Section 29(2) of the Insolvency Act (1986).

"Affected Class" means:

- (a) in relation to the proposed introduction or change of any Secondary Debt Rank or Primary Debt Rank, each Sub-Class of Notes which corresponds to a Subordinated ICL Loan which, as a result of such introduction or change, will become subordinated in point of security to any other Subordinated ICL Loan or Subordinated ACF Loan to which it is not then subordinated;
- (b) in relation to the proposed incurrence of any Subordinated Debt after a Subordinated Debt Split, each Sub-Class of Notes which corresponds to a Subordinated ICL Loan that will be subordinate in point of security to the Subordinated Debt proposed to be drawn;
- (c) in relation to the proposed change of the Primary Debt Rank of any ICL Loan, the Sub-Class of Notes which corresponds to such Loan; and
- (d) in relation to any proposal to use funds standing to the credit of a DCA Ledger in respect of an ICL Loan to Prepay any Loan other than such ICL Loan, the Sub-Class of Notes which corresponds to such ICL Loan.

"Affirming Party" bears the meaning given to such term in Clause 38.3 of the Security Trust and Intercreditor Deed.

"Agency Agreement" means the agency agreement dated on or about the Exchange Date and entered into between the Issuer, the Paying Agents, the Agent Bank, the Registrar, the Transfer Agents and the Note Trustee.

"Agent Bank" means Deutsche Bank AG London, acting through its office at Winchester House, 1 Great Winchester Street, London EC2N 2DB, or such other entity or entities appointed as agent bank from time to time, subject to and in accordance with the terms of the Agency Agreement.

"Agents" means the Paying Agents, the Agent Bank, the Registrar, the Transfer Agent, the Calculation Agent or any other agent appointed by the Issuer pursuant to the Agency Agreement.

"Aggregate ACF PAO" bears the meaning given to such term in Clause 36.1 of the Security Trust and Intercreditor Deed.

"Aggregate Credit Balance" means the sum of:

- (a) the aggregate credit balances (if any) on all Operating Accounts (excluding, for the avoidance of doubt, the Collection Accounts);
- (b) the credit balances (if any) on the Collection Accounts (to the extent that the same exceeds the aggregate of all outstanding Rental Loans and Servicer Loans); and
- (c) any sum which would, but for any technical or administrative error in the transmission of funds only, be standing to the credit of a Collection Account or an Operating Account.

"Aggregate Disposal Transaction Tax" bears the meaning given to that term in the Tax Deed of Covenant.

"Aggregate Materiality Threshold" bears the meaning given to that term in Clause 1.1 (*Interpretation*) of the Tax Deed of Covenant.

"Aggregate Notes PAO" bears the meaning given to such term in Clause 36.1 of the Security Trust and Intercreditor Deed.

"Aggregate Projected Development Cost" means, at any time, the aggregate projected actual cost to the Obligors (excluding finance charges or allocation of overheads) of carrying out all Development Projects (as determined by the Obligors acting in good faith), to the extent that such cost is committed pursuant to building contracts in respect of Development Projects and would be committed pursuant to the proposed building contract which has resulted in the requirement to run the Development Test; such projected cost to exclude provisions for contingencies, sums already spent and costs which are to be met by a third party pursuant to a forward funding or forward sale agreement in respect of which any condition precedent to the commencement of the Development Projects has been satisfied.

"Aggregate Transaction Tax" bears the meaning given to that term in the Tax Deed of Covenant.

"Agreed Form of Certificate of Title or Report on Title" means (a) a certificate of title or report on title, in substantially the form of the document entitled "Form of Report on Title" initialled (for identification purposes only) on or about the Exchange Date by the Principal Obligor and the Obligor Security Trustee, (b) such other form of certificate of title or report on title as may be approved by the Obligor Security Trustee, or (c) the then current City of London Law Society approved form of certificate of title.

"Agreed Form of Legal Opinion" means the legal opinions required to be given in respect of certain matters under the Common Terms Agreement or the Security Trust and Intercreditor Deed from time to time, in the forms agreed between the Obligors and the Obligor Security Trustee (or, in the case of Further Credit Assets, between the Obligors, the Obligor Security Trustee and the Rating Agencies) from time to time.

"Agreed Form of Liquidity Facility Agreement" means an agreement for the provision of a liquidity facility to FinCo in a form agreed between the Obligors and the Rating Agencies.

"Agreed Form of RM Security Structure Documents" means the forms of RM Security Structure Documents entered into on or about the Exchange Date in respect of the Initial RM Properties, or such other forms of RM Security Structure Documents as may be agreed between the Obligors and the Obligor Security Trustee from time to time.

"Agreed Form of Security" means:

- (a) in the case of property situated in England and Wales, a first-ranking charge by way of a legal mortgage;
- (b) in the case of property situated in Scotland, a Standard Security;
- (c) in the case of property situated outside England, Wales and Scotland, such other form of security as may be agreed from time to time between the Obligors and the Obligor Security Trustee as being, for the purposes of the Common Terms Agreement and the Security Trust and Intercreditor Deed, equivalent in all material respects to a first-ranking charge by way of a legal mortgage over property situated in England and Wales;
- (d) in the case of shares, such form of security as (in the case of shares in companies incorporated in England and Wales, Scotland or Jersey) is customarily used to create a first ranking equitable fixed charge or (in the case of shares in any other companies) may be agreed from time to time between the Obligors and the Obligor Security Trustee as being, for the purposes of the Common Terms Agreement and the Security Trust and Intercreditor Deed, equivalent in all material respects to a first ranking fixed charge over shares in companies incorporated in England and Wales; or
- (e) in the case of any Further Credit Asset, such form of security as has been agreed between the Obligors, the Obligor Security Trustee and the Rating Agencies in respect of that Further Credit Asset.

"Agreed Form of Security Document" means a document which creates an Agreed Form of Security and which is in a form agreed between the Obligors and the Obligor Security Trustee from time to time.

"Agreed KYC Documentation" means on any date, in relation to any Obligor or nominated Obligor (as the case may be) and in relation to any ACF Agreement:

- (a) such documentation and other evidence as an ACF Representative has agreed with the Principal Obligor as at the date of the relevant ACF Agreement; and
- (b) such other documentation and other evidence as an ACF Representative may after the date of the relevant ACF Agreement have reasonably requested,

in each case, in order to enable the ACF Providers or any potential ACF Provider to carry out and satisfy all applicable "know your client" requirements (being such identification checks as are necessary for such ACF Providers to meet their obligations under any applicable law or regulation to identify each person who is (or is to become) the customer of an ACF Provider).

"Allocated Debt" means, in relation to a Mortgaged Property, the Security Group Net Debt Outstanding (as calculated as of the latest Tier Test Calculation Date) multiplied by a fraction, the numerator of which is the Market Value of the relevant Mortgaged Property and the denominator of which is the Total Collateral Value (as calculated as of the latest Tier Test Calculation Date).

"Allocated Debt Amount" means, in relation to a Mortgaged Property, 130% of the Allocated Debt relating thereto.

"Amortisation Determination Date" means a day which is:

- (a) the second Business Day preceding the first day upon which the Obligors become required to Prepay Non-Contingent Loans in accordance with a Mandatory Prepayment Provision (other than the Headroom Test Prepayment Provision and the DPA Prepayment Provision); and
- (b) as of which there is no continuing obligation to make Prepayments in accordance with any other Mandatory Prepayment Provision (other than the Headroom Test Prepayment Provision and the DPA Prepayment Provision).

"Amortisation Schedule" means, at any date, a notional quarterly amortisation schedule (calculated on a 25 year mortgage annuity basis, irrespective of the actual maturity of any Loans then outstanding with payment dates falling on successive Financial Quarter Dates throughout the 25 year period) in respect of an amount of debt equal to the aggregate Adjusted Principal Amount of Priority 1 Debt and Priority 2 Debt incurred pursuant to Non-Contingent Loans outstanding at such date (ignoring any such debt that has been Collateralised other than pursuant to any of the Mandatory Prepayment Provisions), assuming an interest rate over the 25 year period equal to the then current yield to maturity (at the time of preparation of such schedule) on the UK gilt with the maturity closest to the end of that period plus 1% and rounded up to the nearest ½%.

"Applicable Accounting Principles" bears the meaning given to such term in Clause 12.8 (*Changes in Applicable Accounting Principles*) of the Common Terms Agreement.

"Appropriate Expert" bears the meaning given to such term in Clause 38.3 of the Security Trust and Intercreditor Deed.

"Approved Blocked Account" means any Obligor Account (other than the Income Replacement Account and any Development Account) designated as a blocked account by the Obligors and approved as such by the Obligor Security Trustee.

"Approved Firm" in relation to a required legal opinion, means a firm of lawyers from the panel of lawyers agreed between the Principal Obligor and the Obligor Security Trustee from time to time, the firm proposed by the Obligors in respect of that legal opinion to be specifically approved for that purpose by the Obligor Security Trustee in advance. For these purposes the initial agreed panel is:

- (a) in relation to matters of English law, Slaughter and May, Clifford Chance LLP, Allen & Overy LLP, Linklaters, Freshfields Bruckhaus Deringer, Ashurst, SJ Berwin, Nabarro Nathanson and Dechert;
- (b) in relation to matters of Scots law, Dundas & Wilson, Tods Murray and DLA Scotland LLP; and
- (c) in relation to matters of Jersey law, Mourant de Feu and Carey Olsen, in each case including successors to these firms or any firm arising as a result of a merger entered into by one or more of these firms.

"Approved Jurisdiction" in respect of an Obligor, a proposed Additional Obligor or a partnership of Obligors means:

- (a) as to the management or tax residence of such Obligor or proposed Additional Obligor or a partnership of Obligors that is incorporated or established in England and Wales, Scotland or Jersey: England and Wales or Scotland; or
- (b) as to the place of incorporation, establishment or tax residence of such Obligor or proposed Additional Obligor (in each case, outside Great Britain): any jurisdiction nominated by such Obligor in respect of which (1) legal (including as to insolvency and security) opinions satisfactory to the Rating Agencies can (on the basis of applicable laws and the interpretation thereof) be given in respect of, among other things, its ownership (were it to be an Obligor) of Mortgaged Properties and (2) a tax opinion (or tax opinions) satisfactory to the Rating Agencies can be given to the Obligor Security Trustee and the Dealers addressing relevant tax issues arising from the introduction into the Security Group of such proposed Additional Obligor and its intended activities.

"Approved Property Manager List" means the list of property managers, each of which shall be a suitable company in the business of real estate acting through an individual who shall be a fellow of the Royal Institution of Chartered Surveyors of at least 10 years' experience of commercial property in the United Kingdom, agreed between the Principal Obligor and the Obligor Security Trustee from time to time (or, in the absence of agreement, such list as formulated by the Obligor Security Trustee).

"assets" includes present and future properties, revenues and rights of every description.

"Attornies" bears the meaning given to such term in Clause 43 of the Security Trust and Intercreditor Deed.

"Auditors" means PricewaterhouseCoopers LLP or such other international or other leading United Kingdom firm of auditors chosen by the Principal Obligor and notified to the Obligor Security Trustee and the Note Trustee from time to time.

"authorisation" includes an authorisation, consent, approval, resolution, licence, exemption, filing or registration.

"Authorised Signatory" means an officer of any of the Obligors who appears on the list of authorised signatories for the purpose of executing certificates pursuant to the Common Terms Agreement and the Security Trust and Intercreditor Deed (other than Compliance Certificates, the certification of Dormant Obligor status and any other certificate which is specifically required to be given by the directors) which has been delivered by the Obligors to the Obligor Security Trustee (as such list may be amended or updated by a director of the Principal Obligor from time to time).

"Available Cash" means, in respect of the Security Group Pre-Enforcement Priority of Payments on any day (i) all amounts (other than Swap Excluded Amounts) that can be, and are, drawn that day from loan facilities which may be applied and (ii) the sum of all credit balances on all Obligor Accounts to the extent available to be withdrawn in accordance with the Obligor Transaction Documents, in each case for the purpose of making payments in respect of the Security Group Pre-Enforcement Priority of Payments (and to the extent that funds in certain Obligor Accounts may be withdrawn for the purpose of making payments under a particular item in the Security Group Pre-Enforcement Priority of Payments, the Obligor shall be entitled to apply such funds as have been withdrawn as Available Cash only towards payment of such particular item in the Security Group Pre-Enforcement Priority of Payments).

"Basic Terms Modification" means the modification, waiver or consent as listed in Clause 34.1 of the Security Trust and Intercreditor Deed and the provisions for approving such modification, waiver or consent as stated in Clause 34.2 of the Security Trust and Intercreditor Deed.

"Bearer Notes" means those Notes issued in bearer form.

"Beneficiary Undertaking" means a deed so entitled whereby an Obligor (or Obligors who are partners in a partnership that is not itself an Eligible Obligor) that own(s) the beneficial interest in a Mortgaged Property give(s) certain undertakings to, among others, the Obligor Security Trustee.

"Blocking Notice" bears the meaning given to such term in Clause 32.2 (*Blocking Notice from ACF Providers*) of the Security Trust and Intercreditor Deed.

"Blocking Right" bears the meaning given to such term in Clause 32 (*Blocking Rights*) of the Security Trust and Intercreditor Deed.

"breached", in relation to the Liquidity Threshold, has the meaning given to that term in Clause 8.6 (*Mandatory Liquidity Provisions*) of the Common Terms Agreement.

"Business Day" means, unless the context otherwise requires, a day on which commercial banks and foreign exchange markets settle payments and are open for general business in London.

"Buyback" means, in respect of an ICL Loan, the deemed repayment of all or part of the principal of such ICL Loan in accordance with Clause 11.6 (*Purchase of Notes by Obligors*) of the Common Terms Agreement upon the acquisition (by FinCo) of Notes which correspond to such Loan, the surrender of such Notes to the Issuer and their cancellation.

"Calculation Certificate" bears the meaning given to such term in Clause 12.7.1 (*Date of Delivery*) of the Common Terms Agreement.

"Calculation Date" means a Scheduled Calculation Date, an Additional Calculation Date, an Optional Calculation Date or a Transaction LTV Calculation Date.

"Calculation Period" means a Historical Calculation Period or a Forward-Looking Calculation Period.

"Calculation Test" means the Tier Tests, the P1 Debt Test, the Additional Tier Tests, the Transaction LTV Test, the Headroom Tests and the Prepayment Headroom Test.

"Cardinal Place Cost to Complete" bears the meaning given to such term in Paragraph 7 (*Cardinal Place Development*) of Schedule 5 (*Initial T3 Covenants*) to the Common Terms Agreement.

"Cardinal Place Development Account" bears the meaning given to such term in Paragraph 7 (*Cardinal Place Development*) of Schedule 5 (*Initial T3 Covenants*) to the Common Terms Agreement.

"Cardinal Place Project" bears the meaning given to such term in Paragraph 7 (*Cardinal Place Development*) of Schedule 5 (*Initial T3 Covenants*) to the Common Terms Agreement.

"Cardinal Place Step-In Rights" bears the meaning given to such term in Paragraph 7 (*Cardinal Place Development*) of Schedule 5 (*Initial T3 Covenants*) to the Common Terms Agreement.

"Cash Manager" means Land Securities (Finance) Limited in its capacity as cash manager for the Obligors and the Issuer, 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.

"cash sub-ledger" bears the meaning given to such term in Clause 15.11.6 (*Establishment of sub-ledgers*) of the Common Terms Agreement.

"Certificate of Title" means:

- (a) in relation to a Mortgaged Property introduced or to be introduced to the Estate on or before the Exchange Date, a certificate of title prepared by Nabarro Nathanson or Dechert (in the case of Mortgaged Properties located in England or Wales) or Dundas & Wilson (in the case of Mortgaged Properties located in Scotland); and
- (b) in relation to any Additional Mortgaged Property, a certificate of title prepared by an Approved Firm.

"CGT Group" means a group for the purpose of Section 170 of the Taxation of Chargeable Gains Act 1992.

"CHAPS" means the Clearing House Automated Payments System.

"Change of Control Event" means either of (a) the acquisition of control of Land Securities Group PLC by one or more persons acting in concert (where "control" means the ability to direct the affairs of Land Securities Group PLC (whether by virtue of the ownership (direct or indirect) of shares and/or by contract and/or by any other means) (excluding any such acquisition of control pursuant to a scheme of arrangement or composition pursuant to which the beneficial owners of the shares of any company which directly or indirectly owns the shares of Land Securities Group PLC are substantially the same persons as those who beneficially held the shares of Land Securities Group PLC prior to such scheme or composition), or (b) the members of the Security Group are no longer under the Common Control of Land Securities Group PLC.

"Change of Control Period" means the period between the occurrence of a Change of Control Event (unless the Ratings Test has been satisfied in respect of such event) and the first Ratings Affirmation to occur after such event.

"Change of Control Prepayment Provision" bears the meaning given to such term in Clause 11.7.7 (*Due to breach of LTV threshold during Change of Control Period*) of the Common Terms Agreement.

"Charged Property" means the property, assets, rights and undertaking of each Obligor that are the subject of the security interests created in or pursuant to the Obligor Security Documents.

"Class" means:

- (a) in respect of Notes, a reference to a class of Notes, being the Class A Notes, the Class B Notes, the Class R1 Notes, the Class R2 Notes or any class of Subordinated Notes designated as a Class of Notes pursuant to a Pricing Supplement;
- (b) in respect of Noteholders, Noteholders holding a particular Class of Notes;
- (c) in respect of ACF Providers, the ACF Providers of ACF Loans ranking in point of security *pari passu* with each other (and in the case where multiple ACF Providers (under a

single ACF Agreement) are making multiple ACF Loans ranking in multiple points of security, an ACF Provider shall belong to a Class of ACF Providers to the extent it has made an ACF Loan ranking in a particular point of security, together with other ACF Providers making ACF Loans ranking at the same point of security under different ACF Agreements (if any));

- (d) in respect of Debtholders, a Class of ACF Providers together with the Class of Noteholders holding Notes in respect of which the corresponding ICL Loans rank *pari passu* with the ACF Loans from such Class of ACF Providers; and
- (e) in respect of Qualifying Debtholders, a Class of Debtholders who are Qualifying Debtholders.

"Class A Notes" means any Notes designated as such pursuant to a Pricing Supplement and issued on the Exchange Date or thereafter.

"Class B Notes" means any Notes designated as such pursuant to a Pricing Supplement and issued after the Exchange Date.

"Class R Agent" means any agent for any Class R Underwriter acting in such capacity.

"Class R Notes" means Class R1 Notes and/or Class R2 Notes (as the context requires).

"Class R1 Notes" means revolving notes designated as such pursuant to a Pricing Supplement and issued after the Exchange Date.

"Class R2 Notes" means revolving notes designated as such pursuant to a Pricing Supplement and issued after the Exchange Date.

"Class R Underwriters" means any underwriter of the Class R Notes appointed from time to time by the Issuer in accordance with a Class R Underwriting Agreement.

"Class R Underwriting Agreement" means any underwriting agreement entered into after the Exchange Date between, *inter alios*, one or more underwriters, FinCo and the Issuer.

"Clearstream, Luxembourg" means Clearstream Banking, *société anonyme*.

"Collateral Rights" means all rights, power and remedies of the Obligor Security Trustee provided by or pursuant to the Obligor Security Documents or by law.

"Collateralise" means, with respect to any Non-Contingent Loan, to deposit, into the Debt Collateralisation Account, an amount in respect of all or part of the principal amount outstanding of such Non-Contingent Loan and **"Collateralisation"** shall be construed accordingly.

"Collection Account" means one or more accounts designated as a "Collection Account", held in the name of Land Securities (Finance) Limited and maintained with the Account Bank pursuant to the terms of the Account Bank and Cash Management Agreement, or such other account(s) so designated in the name of Land Securities (Finance) Limited as may be opened, with the consent of the Obligor Security Trustee, at any branch of the Account Bank or at an Eligible Bank in replacement of such account(s).

"Common Control" means, in relation to the Obligors, (a) the control of all of the Obligors by any one person, (b) the majority of the board of directors of all the Obligors being the same individuals and/or legal entities or (c) the management of the Mortgaged Properties of each Obligor being contracted to the same external manager (other than any Property Manager),

where, in the case of (a) above, "**control**" means the ability to direct the affairs of all the Obligors whether by virtue of the ownership (direct or indirect) of shares and/or by contract and/or by any other means.

"**Common Control Covenant**" bears the meaning given to such term in Paragraph 5.1(d) (*Common Control*) of Schedule 3 (*T1 Covenants*) to the Common Terms Agreement.

"**Common Depositary**" means Deutsche Bank AG London.

"**Common Terms Agreement**" means the common terms agreement dated on or about the Exchange Date and entered into between, among others, the Original Obligors, the Issuer, the Obligor Secured Creditors, the Note Trustee and the Obligor Security Trustee.

"**company**" includes any company, corporation or other body corporate wherever and however incorporated or established.

"**Compliance Certificate**" means each of the certificates to be given to (among others) the Obligor Security Trustee and the Rating Agencies pursuant to the covenants described in Paragraph 6 (*Compliance Certificate*) of Schedule 5 (*Initial T3 Covenants*) to the Common Terms Agreement.

"**Concentration Limits**" means the Sector Concentration Limit, the Geographic Concentration Limit and the Tenant Concentration Limit.

"**Conditions**" means, in respect of the Initial Notes, the terms and conditions applicable to such Notes as contained in the Trust Deed, and in respect of Classes and/or Sub-Classes of Notes to be issued after the Exchange Date, the terms and conditions applicable to such Notes as contained in the Trust Deed as amended or supplemented from time to time (in each case as construed together with the relevant Pricing Supplement).

"**Contingency Bond**" means an ACF Loan by way of a Performance Bond or other contingent liability of any of the Obligors (other than under the Guarantees, but including any contingent liability referred to in paragraph (i) of the definition of Financial Indebtedness).

"**Conversion Exchange Rate**" bears the meaning given to such term in Clause 36.5 of the Security Trust and Intercreditor Deed.

"**corresponding ICL Loan**" bears the meaning given to such term in Clause 1.2 (*Interpretation*) of the Intercompany Loan Agreement.

"**corresponding Loan**" bears the meaning given to such term in Clause 1.2 (*Interpretation*) of the Intercompany Loan Agreement.

"**corresponding Notes**" bears the meaning given to such term in Clause 1.2 (*Interpretation*) of the Intercompany Loan Agreement.

"**corresponding Sub-Class of Notes**" bears the meaning given to such term in Clause 1.2 (*Interpretation*) of the Intercompany Loan Agreement.

"**Coupon**" means an interest coupon appertaining to a Definitive Note (other than a Zero Coupon Note) and includes, where applicable, the Talon(s) appertaining thereto and any replacements for Coupons and Talons issued pursuant to Condition 14 (*Replacement of Notes, Coupons, Receipts and Talons*).

"Couponholders" means the several persons who are, for the time being, holders of the Coupons.

"Covenant Regimes" means the T1 Covenant Regime, the T2 Covenant Regime, the Initial T3 Covenant Regime and the Final T3 Covenant Regime.

"Covenant to Pay" means the Obligors' covenant to pay given under Clause 3 (*Covenant to Pay*) of the Security Trust and Intercreditor Deed.

"Creditor Accession Deed" means a deed in the form of Schedule 10 (*Creditor Accession Deed*) to the Common Terms Agreement.

"Dangerous Substance" means any substance capable (whether alone or in combination with any other) of causing serious pollution or contamination, harm or damage to property or to the Environment.

"day" means a period of 24 hours running from midnight to midnight.

"Day One Loan" means the amount outstanding as of the Exchange Date between LSF (as lender) and LSP (as borrower) under the Land Securities Intra-Group Funding Deed.

"DCA Ledger" bears the meaning given to such term in Clause 15.2.2 (*Maintenance of DCA Ledgers*) of the Common Terms Agreement.

"Dealers" means any dealers appointed by the Issuer from time to time under the Dealership Agreement and references to the **"relevant Dealer(s)"** means, in relation to any Sub-Class of Notes (other than Class R Notes), the Dealer or Dealers with whom the Issuer has agreed the issue of the Notes of such Sub-Class.

"Dealership Agreement" means the dealership agreement related to the Programme dated on or before the Exchange Date and entered into between, among others, certain financial institutions as dealers and the Issuer.

"Dealing" means any voluntary act (which includes any Acquisition and any Disposal, the entering into or varying of any Leasing Agreement, the entering into of any Development Contract, exercising any right under, or the varying or surrendering of any such contract and carrying out any Development or other works in respect thereof) and **"Deal"** shall be construed accordingly.

"Debt Collateralisation Account" means the account designated as the "Debt Collateralisation Account", held in the name of FinCo and maintained with the Account Bank pursuant to the terms of the Account Bank and Cash Management Agreement, or such other account as may be opened, with the consent of the Obligor Security Trustee, at any branch of the Account Bank or at an Eligible Bank to replace such designated account.

"Debtholder" means a Noteholder or an ACF Provider.

"Debtholders' Meeting" means a meeting of Debtholders, held in accordance with the Security Trust and Intercreditor Deed.

"Debtholders' Meeting Notice" has the meaning given to it in Clause 36.3 (*Debtholders' Meeting Notice*) of the Security Trust and Intercreditor Deed.

"Debt Ranks" means the Primary Debt Ranks and the Secondary Debt Ranks.

"Deduction Amount", in respect of any Relevant Obligor means the lower of £600,000 and 20% of the value of such Obligor's Additional Assets, such value to be determined by reference to such Obligor's Latest Accounts.

"Deemed Disposal" means, in respect of any Mortgaged Property, an Obligor which holds such Mortgaged Property ceasing to be under Common Control.

"Deemed Disposal Proceeds" means, in relation to the Deemed Disposal of one more Mortgaged Properties, an amount equal to the lower of (a) the aggregate of the Allocated Debt Amount for each such Mortgaged Property and (b) the aggregate of the Market Values of such properties.

"Deemed Tax Borrowings" bears the meaning given to such term in the Tax Deed of Covenant.

"Definitive Note" means a Bearer Note issued in definitive form, in or substantially in the form set out in Part C (*Form of Definitive Note*) of Schedule 3 of the Trust Deed.

"Development" means the construction on any Obligor Property of a building (including a substantial refurbishment of an existing building, meaning a refurbishment which can only be carried out if 60% or more of the total lettable space of any building on the Obligor Property in question is vacant).

"Development Account" means any account opened in accordance with the covenants referred to in Paragraph 2.11 (*Developments in Partnerships and Non-UK Obligors*) of Schedule 3 (*T1 Covenants*) to the Common Terms Agreement.

"Development Contract" means any building contract relating to the carrying out of any Development.

"Development Project" means works in respect of any Obligor Property which:

- (a) constitute a Development the cost of which exceeds £10 million (subject to Indexation) (but for this purpose only taking account of cost which is committed pursuant to building contracts which have been or are about to be entered into); or
- (b) are not works to which paragraph (a) above applies, but the Obligors have designated them as works to which this paragraph (b) is to apply;

and (in either case) such works:

- (i) have not commenced but are the subject of a building contract to carry out the same; or
- (ii) are in progress; or
- (iii) have reached practical completion under the building contract or contracts for the same but the Obligor Property in question has not been revalued in a Valuation Report since the date of practical completion as aforesaid.

"Development Test" means a test under Paragraph 2.10 (*Development Test*) of Schedule 3 (*T1 Covenants*) to the Common Terms Agreement to determine, among other things, the extent to which certain amounts expended by the Obligors in respect of Development Projects in respect of Obligor Properties may be included in the calculation of Total Collateral Value.

"Discharged Rights and Obligations" bears the meaning given to such term in Clause 20.8 (*Procedures on Exercise Date*) of the Security Trust and Intercreditor Deed.

"Disposal" means the sale, transfer, disposition, lease, declaration of trust or other method of disposal of any legal or beneficial interest in, or any right to receive income or capital from, any Mortgaged Property (other than by way of a Leasing Agreement) or any agreement to do any of the foregoing by an Obligor and includes any disposal of shares or other ownership interest in any company or other entity which owns any such interest in any Mortgaged Property (and includes, for the avoidance of doubt, any such transfer in connection with any dividend in specie made by any Obligor), and **"Dispose"** and **"Disposed"** shall be construed accordingly.

"Disposal Proceeds Account" means an account designated as the **"Disposal Proceeds Account"**, held in the name of FinCo and maintained by the Account Bank pursuant to the terms of the Account Bank and Cash Management Agreement, or such other account so designated in FinCo's name as may be opened, with the consent of the Obligor Security Trustee, at any branch of the Account Bank or at an Eligible Bank in replacement of such account.

"Disposal Tax Liability" bears the meaning given to that term in the Tax Deed of Covenant.

"Disposal Threshold Value" means the Market Value of any Mortgaged Property which is, or is to be, the subject of a Disposal as of (a) the Mortgage Date; (b) (if applicable) the date of the last Ratings Affirmation or (c) if such Mortgaged Property is a Post-Division Property, an amount equal to $A \times (B + C)$, where "A" equals the Market Value of the relevant Undivided Property as of the Mortgage Date for such Undivided Property; "B" equals the Market Value of such Post-Division Property and "C" equals the aggregate Market Values of all Post-Division Properties into which such Undivided Property was split.

"Disposal Transaction" bears the meaning given to that term in the Tax Deed of Covenant.

"Disposal Transaction Tax" bears the meaning given to that term in the Tax Deed of Covenant.

"Disposals Threshold" means, at any time, (i) if the T1 Covenant Regime applies, 30% of the Market Value of the Estate or (ii) if the T1 Covenant Regime does not apply, 20% of the Market Value of the Estate, provided that in each case the Market Value of the Estate (for these purposes only) shall be the aggregate of:

- (a) the Market Value of the Estate shown in the Initial Valuation Report or (if applicable) as shown in the Valuation Report immediately before the most recent (as at the time of assessment of the Disposals Threshold) Ratings Affirmation; and
- (b) the aggregate Market Value of any Mortgaged Properties introduced into the Estate after the issue of the Initial Valuation Report or, as the case may be, the date of the most recent Ratings Affirmation (the Market Value of which shall be taken by reference to the Valuation Report(s) upon which the introduction thereof was based or (as the case may be) by reference to the Valuation Report in respect of the Estate immediately before the last Ratings Affirmation); and
- (c) if there are any Development Projects as at the time of assessment of the Disposals Threshold, the aggregate of development costs spent in respect thereof since, in the case of each relevant Development Project, the date of the relevant Valuation Report relating to the Mortgaged Property in question as ascertained by reference to sub paragraph (a) or (b) above (as the case may be).

"Dispute" means any dispute arising out of or in connection with any Obligor Transaction Document (including a dispute regarding the existence, validity or termination of the Obligor Transaction Document or the consequences of its nullity).

"Dispute Notice" bears the meaning given to such term in Clause 38.1 of the Security Trust and Intercreditor Deed.

"Dissenting Party" bears the meaning given to such term in Clause 38.1 of the Security Trust and Intercreditor Deed.

"Dormant Obligor" means any Obligor which no longer holds any Mortgaged Property or other real estate assets, any shares in any Obligor which is not a Dormant Obligor or any Obligor Account and which is not a party in the capacity of primary debtor (other than as a result of its obligations under the Security Trust and Intercreditor Deed) to any ACF Agreement or Swap Agreement.

"DPA Prepayment Provision" bears the meaning given to that term in Clause 11.7.6 (*Pursuant to DPA Prepayment Provision*) of the Common Terms Agreement.

"Dual Currency Notes" means Notes, designated as such in the relevant Pricing Supplement, in respect of which the amount payable (whether in respect of principal or interest and whether at maturity or otherwise) will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer(s) may agree.

"Eligible Bank" means an authorised institution under FSMA which meets the Minimum Short Term Ratings and the Minimum Long Term Ratings.

"Eligible Investments" means:

- (a) sterling gilt-edged securities;
- (b) sterling demand or time deposits, certificates of deposit, short-term debt obligations (including commercial paper), money market funds or equivalent investments in respect of which the relevant debtor or guarantor has the Minimum Short Term Rating (and, in relation to money market funds and equivalent investments, the long term unsecured, unsubordinated and unguaranteed debt obligations of the relevant debtor or guarantor are rated or not less than Aaa by Moody's, should it be a Rating Agency); and
- (c) euro demand or time deposits, certificates of deposit, short-term debt obligations (including commercial paper), money market funds or equivalent investments in respect of which the relevant debtor or guarantor has the Minimum Short Term Rating (and, in relation to money market funds and equivalent investments, the long term unsecured, unsubordinated and unguaranteed debt obligations of the relevant debtor or guarantor are rated not less than Aaa by Moody's, should it be a Rating Agency),

provided that:

- (i) subject to paragraph (ii) below, such investments have maturity dates falling not later than one year after the date of acquisition thereof or are callable on demand;
- (ii) in the case of investments acquired with funds standing to the credit of any DCA Ledger, such investments have maturity dates which are no later than the last scheduled payment date of the relevant Non-Contingent Loan;

- (iii) in the case of the investments referred to in paragraph (c) above, the aggregate principal amount of such investments does not exceed the aggregate principal amount of euro-denominated Financial Indebtedness which is not hedged into sterling; and
- (iv) in the case of the investments referred to paragraphs (b) and (c) above, if such investments have a term of maturity of more than six months from the date of acquisition thereof, the relevant debtor or guarantor also has the Minimum Long Term Ratings from Moody's, should it be a Rating Agency.

"Eligible Obligor" means:

- (a) a company which is resident for tax purposes in the United Kingdom and incorporated in England and Wales, Scotland or Jersey; or
- (b) any other entity established under the laws of England and Wales or Scotland and resident for tax purposes in the United Kingdom in respect of which (1) legal (including as to insolvency and security) opinions satisfactory to the Rating Agencies can (on the basis of applicable laws and the interpretation thereof) be given in respect of, among other things, its ownership (were it to be an Obligor) of Mortgaged Properties and (2) a tax opinion (or tax opinions) satisfactory to the Rating Agencies can be given to the Obligor Security Trustee, the Note Trustee and the Dealers addressing relevant tax issues arising from the introduction into the Security Group of such proposed Obligor and its intended activities;
- (c) any company or other entity incorporated or established in an Approved Jurisdiction and tax-resident in that same Approved Jurisdiction; or
- (d) any limited liability partnership established under the Limited Liability Partnerships Act 2000 which is managed in an Approved Jurisdiction.

"Eligible Property" means any freehold, leasehold or heritable property or other real estate.

"Encumbrance" means:

- (a) a mortgage, charge, security, pledge, lien, assignment, standard security, assignation or other encumbrance securing any obligation of any person or any agreement or arrangement having a similar effect (including any title transfer and retention arrangement); or
- (b) any arrangement under which money or claims to, or the benefit of, a bank or other account of an Obligor may be applied, set off or made subject to a combination of accounts so as to effect the discharge of any sum owed or payable to any person.

"Enforcement Action" means any action, other than the delivery of a Loan Enforcement Notice or a Loan Acceleration Notice, to enforce the Obligor Security held by the Obligor Security Trustee and/or to preserve any of the rights of the Obligor Security Trustee and/or any Obligor Secured Creditor (including the appointment and/or removal of any Receiver in respect of the Obligor Security held by the Obligor Security Trustee and (if such Receiver is appointed) instructing the Receiver to take or not take such action) and the release of any assets (over which the Note Trustee has appointed an administrative receiver) from the STID Floating Security upon enforcement of the OFCA Floating Security.

"Enforcement Date" means the date of the delivery of a Loan Enforcement Notice.

"Enforcement Period" bears the meaning given to that term in Clause 23.3 of the Security Trust and Intercreditor Deed.

"Enforcement Trigger Event" bears the meaning given to such term in Clause 22 (*Enforcement Trigger Events*) of the Security Trust and Intercreditor Deed.

"English Property" means any one or more of the Mortgaged Properties or (depending on the context) proposed Mortgaged Properties which are located in England and Wales.

"Enterprise Act" means the Enterprise Act 2002.

"Entrenched Right" means an entrenched right in favour of any Swap Counterparty or Liquidity Facility Provider provided pursuant to Clause 33 (*Entrenched Rights*) of the Security Trust and Intercreditor Deed.

"Entrenched Rights Notice" bears the meaning given to such term in Clause 33.2 (*Entrenched Rights Notice*) of the Security Trust and Intercreditor Deed.

"Environment" means air (including air within buildings or other natural or man-made structures whether above or below ground), land (including any buildings or other permanent structures on, in or below the land), water (including water within buildings or other natural or man-made structures), flora, fauna and humans.

"Environmental Action" means any civil, criminal, regulatory or administrative proceedings, suit, action or formal written notice to which the relevant Obligor is subject pursuant to Environmental Law.

"Environmental Contamination" means (a) the presence or release, emission, leakage or spillage of any Dangerous Substance at, or their migration from, any site owned or occupied by the Obligors into any part of the Environment or (b) any accident, fire, explosion or sudden event at any site owned, occupied or used by any Obligor which is directly or indirectly caused by or attributable to any Dangerous Substance, in each case which causes or is likely to cause a significant risk of harm or damage to the Environment.

"Environmental Law" means all directly applicable European, national or local statutes, statutory instruments, regulations, directives, statutory guidance and regulatory codes of practice and common law concerning the protection of the Environment which are capable of enforcement by legal process.

"Environmental Permits" means any permit, licence, authorisation or consent required or issued under Environmental Law.

"Environmental Reports" means:

- (a) the environmental risk assessment reports undertaken by Messrs Watts and Partners in respect of 15 of the Mortgaged Properties and dated 23 September 2004; and
- (b) the reports on any environmental search, risk assessment or other investigation in relation to any Additional Mortgaged Property disclosed to the Valuers.

"Estate" means on any date all of the Mortgaged Properties on such date.

"Euroclear" means Euroclear Bank S.A./N.V. as operator of the Euroclear System.

"Exchange Date" means 3 November 2004.

"Exercise Date" bears the meaning given to such term in Clause 20.4 of the Security Trust and Intercreditor Deed.

"Existing Bank Debt" means:

- (a) the £600,000,000 revolving credit facility dated 26 March 2001 (as amended and novated) between, amongst others, Land Securities PLC as borrower, Lloyds TSB Bank Plc Capital Markets as arranger and Lloyds TSB Bank Plc as agent;
- (b) the £800,000,000 credit facilities agreement dated 22 May 2002 (as amended) between, amongst others, Land Securities PLC as borrower, Barclays Capital, Lloyds TSB Bank Plc Capital Markets, The Royal Bank of Scotland plc and Salomon Brothers International Limited as mandated lead arrangers and Lloyds TSB Bank Plc Capital Markets as agent; and
- (c) the £150,000,000 bilateral loan agreement dated 10 September 2003 between Land Securities PLC (as borrower) and HSBC Bank Plc (as lender); and
- (d) the £1,000,000,000 revolving credit facility dated on or about 27 September 2004 between, among others, Land Securities PLC as borrower, Barclays Capital, Citigroup Global Markets Limited and Lloyds TSB Bank Plc as arrangers and Lloyds TSB Bank Plc as agent.

"Existing Note Debt" means:

- (a) the £200,000,000 9.50 per cent bonds due 2007
- (b) the £400,000,000 5.875 per cent bonds due 2013;
- (c) the £200,000,000 9.00 per cent bonds due 2020;
- (d) the £200,000,000 6.375 per cent bonds due 2024;
- (e) the £400,000,000 10.00 per cent first mortgage debenture stock due 2025;
- (f) the £200,000,000 10.00 per cent first mortgage debenture stock due 2027; and
- (g) the £200,000,000 10.00 per cent first mortgage debenture stock due 2030,

in each case issued by Land Securities PLC (and for the avoidance of doubt, the amounts specified herein refer to face value of the relevant bonds or debentures at the time of their issuance).

"Extraordinary Resolution" has the meaning given to it in the Conditions.

"Facility Agent" means an agent in respect of (a) a syndicated facility under which ACF Loans will or may be provided under an ACF Agreement or (b) a Liquidity Facility.

"Fees and Expenses" means, in respect of any Facility Agent, the Note Trustee, the Obligor Security Trustee, any Receiver, any Paying Agent, any Transfer Agent, the Registrar, any Class R Agent, the Agent Bank, any Property Manager, any Replacement Cash Manager or any Replacement Servicer, any fees, costs, expenses, other remuneration and indemnity payments payable to such person (in that capacity) which are due and payable.

"Final T3 Covenant Regime" means the covenant regime that will apply under the Common Terms Agreement if any of the Initial T3 Thresholds are breached at the relevant time.

"Final T3 Covenants" means the covenants set out in Schedule 6 (*Final T3 Covenants*) to the Common Terms Agreement.

"Financial Covenant" means the covenant described in Paragraph 1 (*Financial Covenant*) of Schedule 3 (*T1 Covenants*) to the Common Terms Agreement.

"Financial Half-Year" means the period from and including 1 April 2005 and ending 30 September 2005 and thereafter each six-month period ending on 30 September or 31 March of each year (or, if the Security Group should alter its accounting reference period, the last day of each such period and the date falling six months after each such day).

"Financial Indebtedness" means any indebtedness incurred by an Obligor in respect of:

- (a) the principal amount, mandatory premia (excluding any prepayment premia) and any capitalised element (including rolled-up interest and accreted capital but excluding any amount representing issue costs and other fees), of money borrowed or raised, whether or not for cash (including in respect of any debenture, bond, loan stock, commercial paper or similar debt instrument and debit balances at banks) provided, for the avoidance of doubt, that the principal amount that is to be taken into account at any date shall not exceed the principal amount that would be payable on that date were the relevant debt to be accelerated;
- (b) liabilities in respect of any letter of credit, standby letter of credit, Performance Bond, acceptance credit, bill discounting or note purchase facility and any receivables purchase, factoring or discounting arrangements;
- (c) rental or hire payments under any contract between a lessor and a lessee treated as a finance lease in accordance with the Applicable Accounting Principles but excluding liabilities under any lease of property treated as a finance lease (in accordance with Applicable Accounting Principles) or otherwise capitalised;
- (d) the unconditional deferred purchase price of assets or services (excluding any retention or withholding from such purchase price entered into or arising in the ordinary course of business) where in each case both the primary intention for which and the commercial effect thereof was borrowing money;
- (e) the marked-to-market value at inception of any foreign exchange agreement, Swap Transaction or other derivative transaction or similar arrangement which in each case has, at its inception, the commercial effect of borrowing;
- (f) all unconditional obligations to purchase, redeem, retire, defease or otherwise acquire for value any share capital of any person pursuant to transactions the primary intention for which and the commercial effect of which is the borrowing of money;
- (g) the right of reimbursement that a party to a forward funding agreement, entered into with such Obligor, has (if any) in respect of its contributions under such agreement if such Obligor's primary intention in entering into, and the commercial effect of, such agreement is the borrowing of money;
- (h) any other transactions of a similar nature to those referred to in paragraphs (a) to (g) above where borrowing is the primary purpose; and
- (i) all Financial Indebtedness of other persons (other than an Obligor) of the kinds referred to in paragraphs (a) to (h) above guaranteed or indemnified by an Obligor (or having the

commercial effect of being guaranteed or indemnified by such Obligor, where such commercial effect is the primary purpose of the relevant transaction),

but excludes:

- (i) Rental Loans and Servicer Loans (to the extent of funds standing to the credit of a Collection Account);
- (ii) amounts owed to the Account Bank (to the extent of the Aggregate Credit Balance);
- (iii) any amounts of indebtedness (whether actual or contingent) owed by one Obligor to another Obligor;
- (iv) any preference share or other form of share capital or partnership interest, even if accounted for as a liability in accordance with the Applicable Accounting Principles; and
- (v) without double counting, any indebtedness of any Obligor, to the extent that the Obligor has given irrevocable instructions to the Account Bank to repay or prepay such indebtedness from a Collection Account or an Operating Account and, but for a technical or administrative error in the transmission of funds only, such indebtedness would have been repaid or prepaid at the relevant time.

"Financial Quarter Date" means 31 March, 30 June, 30 September and 31 December in any year.

"Financial SPV Obligor" means any Additional Obligor established for the primary purpose of acting as a financing vehicle for the Security Group and which complies with the obligation of a Financial SPV Obligor to have only the Permitted Business specified in paragraph (a) of the definition thereof.

"Financial Year" means:

- (a) the period commencing on the Exchange Date and ending on 31 March 2005; and
- (b) thereafter, each period of one year ending on 31 March in each year, or if the financial year as defined in section 223 of the Companies Act 1985 is changed by the Security Group each period of one year (or less) ending on the last day of such financial year of the Security Group from time to time as notified to the Obligor Security Trustee.

"FinCo" means LS Property Finance Company Limited, a private limited company incorporated under the laws of England and Wales with registered number 5163698 and whose registered office is at 5 Strand, London WC2N 5AF.

"Fitch" means Fitch Ratings Limited or its successor by way of name change or merger from time to time.

"Fixed Rate ICL Loan" means any advance by the Issuer to FinCo under the Intercompany Loan Agreement with a fixed rate of interest (save, in certain cases, for the final two years of its tenor, which shall be ignored in construing this definition).

"Fixed Rate Notes" means Notes which carry a fixed rate of interest and are designated as such in the relevant Pricing Supplement (save, in certain cases, for the final two years of its tenor, which shall be ignored in construing this definition).

"Floating Rate ACF Loan" means any advance by an ACF Provider to an Obligor under an ACF Agreement with a floating rate of interest.

"Floating Rate ICL Loan" means any advance by the Issuer to FinCo under the Intercompany Loan Agreement with a floating rate of interest.

"Floating Rate Loans" means the Floating Rate ICL Loans and the Floating Rate ACF Loans.

"Floating Rate Notes" means Notes which carry a floating rate of interest and are designated as such in the relevant Pricing Supplements.

"Foreign Parties" means LM Property Investments Limited, LS Allington Towers Limited, Wood Street (Jersey) Limited and each other person who is both (a) a party to an Obligor Transaction Document and (b) incorporated in a jurisdiction other than the United Kingdom.

"Forfeiture Risk Property" means any leasehold property which would otherwise be a Mortgaged Property but for receipt by an Obligor of any notice or threat of intended forfeiture proceedings in relation to that property on account of the charge under the Obligor Security having been granted without landlord consent.

"Form of Transfer" means the form of transfer endorsed on an Individual Note Certificate in the form or substantially in the form set out in Part A (*Form of Rule 144A Individual Note Certificate*) of Schedule 2 to the Trust Deed, in the case of a Rule 144A Individual Note Certificate and in the form or substantially in the form set out in Part C (*Form of Regulation S Individual Note Certificate*) of Schedule 2 to the Trust Deed, in the case of a Regulation S Individual Note Certificate.

"Forward-Looking Calculation Period" means, in relation to any Calculation Date, the period of twelve months occurring immediately after that date.

"FSMA" means the Financial Services and Markets Act 2000.

"Further ACF Agreement" means an agreement for the provision of bank or other third party funding to the Obligors or pursuant to which the Obligors may incur Secured Financial Indebtedness by way of loan guarantees or Performance Bonds which satisfies the conditions set out in Clause 5.3.1 (*Proposed Further ACF Agreements*) to the Common Terms Agreement.

"Further ACF Loan" means an ACF Loan other than an Initial ACF Loan.

"Further ACF Provider" means each person who executes a Creditor Accession Deed in such capacity (provided that such deed is countersigned by the Obligor Security Trustee).

"Further Credit Asset" means (A) any real property (including developments), other than a Mortgaged Property, which forms part of the assets of a partnership or joint venture in respect of which one or more Obligors holds an interest (including partnerships and joint ventures which are not wholly-owned by the Security Group) or (B) any Obligor's interest in a partnership, joint venture or similar entity which in each case owns real property (including developments), in each case in respect of which:

- (a) the Obligor Security Trustee holds the Agreed Form of Security pursuant to one or more Agreed Forms of Security Document;
- (b) one or more Agreed Forms of Legal Opinion has been delivered;

- (c) the Obligors and the Rating Agencies have agreed criteria as to the method of valuing such asset and the extent to which the value of such asset is to be accounted for in the determination of Total Collateral Value;
- (d) the Obligors and the Obligor Security Trustee have agreed a mechanism for disclosing the value of such assets to the Obligor Secured Creditors from time to time; and
- (e) the Obligors have complied with such other criteria in respect of such asset as have been agreed between the Obligors, the Obligor Security Trustee and the Rating Agencies.

"Further ICL Loan" means an ICL Loan other than an Initial ICL Loan.

"Further Priority 1 Debt" means any Financial Indebtedness of any of the Obligors which is incurred after the Exchange Date in compliance with the Common Terms Agreement and which is attributed the Debt Rank of "Priority 1 Debt" in accordance with the provisions described in Clause 6 (*Ranking of Financial Indebtedness*) of the Common Terms Agreement.

"General Covenants" means all those covenants contained in the Obligor Transaction Documents other than the T1 Covenants, the T2 Covenants, the Initial T3 Covenants and the Final T3 Covenants.

"General Tax Deposit" bears the meaning given to that term in Clause 1.1 (*Interpretation*) of the Tax Deed of Covenant.

"General Tax Reserve Account" means the account designated as the **"General Tax Reserve Account"**, held in the name of FinCo and maintained by the Account Bank pursuant to the Account Bank and Cash Management Agreement, or any other such account so designated in the name of FinCo as may be opened, with the consent of the Obligor Security Trustee, at any branch of the Account Bank or at an Eligible Bank in replacement of such account.

"Geographic Concentration Limit" bears the meaning given to such term in Paragraph 2.3 (*Geographic diversity - negative covenants*) of Schedule 3 (*T1 Covenants*) to the Common Terms Agreement.

"Global Note" means a Permanent Global Note and/or a Temporary Global Note, as the context may require.

"Global Note Certificate" means, in relation to any Series, any Rule 144A Global Note Certificate, Regulation S Global Note Certificate or any Non-DR Global Note Certificate in or substantially in the forms set out in Schedule 2 of the Trust Deed.

"Government Tenant" means the Crown or a Secretary of State or other Minister of the Crown, appointed on behalf of the Crown in order to perform the functions of the Crown, or any body corporate agency or other body whose obligations, pursuant to relevant Leasing Agreements, are directly guaranteed to the relevant Obligors by or in the name of the Crown.

"Guarantee" means the guarantees and indemnities granted by the Obligors under Clause 4 (*Guarantee and Indemnity*) of the Security Trust and Intercreditor Deed.

"Headroom Test Prepayment Provision" bears the meaning given to such term in Clause 11.7.2 (*Upon Breach of Prepayment Headroom Test*) of the Common Terms Agreement.

"Headroom Tests" means the P1 Headroom Test, the P2 Headroom Test, the SD Headroom Test and the UD Headroom Test.

"Hedging Covenant" means the covenant set out in Clause 9 (*Hedging Covenant and Swap Agreements*) of the Common Terms Agreement regarding the entry into Swap Transactions by the Obligors.

"Historical Calculation Period" means, in respect of a Calculation Date, the period of twelve months which ends on (and includes) such Calculation Date.

"Historical EBITDA" means, in respect of any Historical Calculation Period, the consolidated or *pro forma* consolidated operating profit of the Security Group (taking into account changes in its composition) for that period calculated in accordance with the Applicable Accounting Principles (but including for the avoidance of doubt any releases from the Income Replacement Account), but before:

- (a) any Historical Interest Charges;
- (b) any amount attributable to amortisation of goodwill or other intangible assets or the amortisation or the writing off of acquisition or refinancing costs and any deduction for depreciation of assets; and
- (c) any accrued tax for such Historical Calculation Period in respect of all amounts and items included in or taken into account in calculating that consolidated operating profit and before any adjustments to deferred tax assets or liabilities in that period, and excluding:
 - (i) fair value adjustments or impairment charges (to the extent they involve no payment of cash);
 - (ii) items that would be treated as extraordinary or exceptional income or charges under the Applicable Accounting Principles for such Historical Calculation Period;
 - (iii) any amount attributable to the writing up or writing down of any assets of any Obligor after the Exchange Date or, in the case of an Obligor becoming such after the Exchange Date, after the date of its becoming such and, in each case, in respect of such Historical Calculation Period;
 - (iv) any non-cash amount attributed to share-based payments;
 - (v) any other non-cash items, including any change in the mark-to-market value of any derivative transaction (but not so as to exclude UITF 28 as it affects any rent-free periods relating to tenancies granted by or to the Obligors, accruals and prepayments relating to rental income and operating expenses and specific bad debt provisions);
 - (vi) any amounts attributable to the disposal of any properties or other assets during such Historical Calculation Period; and
 - (vii) any operating profit or loss attributable to an Obligor for any period during such Historical Calculation Period for which such Obligor was not under Common Control.

"Historical ICR" bears the meaning given to such term in Clause 12.2.1(b) (*Test to be conducted*) of the Common Terms Agreement.

"Historical ICR Event" bears the meaning given to such term in Clause 13.4.4 (*Historical ICR Event*) of the Common Terms Agreement.

"Historical Interest Charges" means, in relation to a Historical Calculation Period:

- (a) without double-counting, the accrued cost of interest on Financial Indebtedness of the Security Group (excluding any non-cash items, front end fees (whether or not amortised) and exceptional and extraordinary items but after taking account of any relevant hedging) for such Historical Calculation Period;

less:

- (b) without double-counting, any interest receivable by any member of the Security Group from a third party over the relevant Historical Calculation Period other than interest on the Income Replacement Account but including interest on amounts standing to the credit of the Liquidity Ledger.

"HoldCo" means Land Securities Intermediate Limited.

"IFRS" means International Financial Reporting Standards.

"ICL Loan" means an advance by the Issuer made to FinCo under the Intercompany Loan Agreement from the proceeds of issue of Notes.

"ICL Loan Payment Dates" means, in relation to each ICL Loan, the dates falling on or before (as specified in the relevant Pricing Supplement) the Note Payment Dates in respect of the Notes to which the ICL Loan relates.

"ICR" means the Historical ICR or the Projected ICR.

"Income Replacement Account" means the account designated as the "Income Replacement Account" held in the name of FinCo and maintained by the Account Bank pursuant to the terms of the Account Bank and Cash Management Agreement, or such other account as may be opened, with the consent of the Obligor Security Trustee, at any branch of the Account Bank or at an Eligible Bank in replacement of such account.

"Index Event" has the meaning given to such term in Condition 8(e)(i) (*Optional Redemption for Index Events or Taxation reasons*).

"Index Ratio" has the meaning given to such term in Condition 7(a) (*Definitions*).

"Indexation" of any figure expressed to be subject thereto means that figure multiplied by the higher of 1 and the fraction A/B , where:

- (a) "A" is the Total Collateral Value calculated as at the latest Scheduled Calculation Date falling on the last day of the most recently completed Financial Year and rounded down to the nearest whole multiple of £500,000,000; and
- (b) "B" is £6,500,000,000.

"Indexed Notes" means Notes (other than Class R Notes) in respect of which the amount payable in respect of principal and interest is calculated by reference to an index and/or formula as the Issuer and the relevant Dealer(s) may agree, and are designated as such in the relevant Pricing Supplement.

"Individual Note Certificate" means any Rule 144A Individual Note Certificate, Regulation S Note Certificate or any Non-DR Individual Note Certificate in or substantially in the forms set out in Schedule 2 of the Trust Deed.

"Industrial Sector" means the use of a Mortgaged Property primarily for industrial purposes within Use Classes B1 or B2 or B8 of the Use Classes Order 1987.

"Initial ACF Agreement" means the authorised credit facilities agreement to be dated on or about the Exchange Date and entered into between, among others, FinCo and the Initial ACF Providers.

"Initial ACF Facility Agent" means the facility agent under the Initial ACF Agreement.

"Initial ACF Loans" means the ACF Loans made to FinCo on or about the Exchange Date under the Initial ACF Agreement.

"Initial ACF Providers" means the providers of lending facilities under the Initial ACF Agreement and **"Initial ACF Provider"** means any one of them.

"Initial Estate" mean the Mortgage Properties as at the Exchange Date.

"Initial ICL Loan" means an advance made by Issuer to FinCo under the Intercompany Loan Agreement funded using the proceeds of issue of a Sub-Class of the Initial Notes to Land Securities PLC on the Exchange Date.

"Initial Issuer Account" means the account designated as the "Initial Issuer Account", held in the name of the Issuer and maintained with the Account Bank pursuant to the terms of the Account Bank and Cash Management Agreement, or such other account so designated as may be opened, with the consent of the Obligor Security Trustee, at any branch of the Account Bank or at an Eligible Bank in replacement of such account.

"Initial Nominees" means those companies specified as such in Schedule 1 (*Parties*) to the Common Terms Agreement.

"Initial Notes" means the seven Sub-Classes of Class A Notes issued by the Issuer on the Exchange Date to Land Securities PLC.

"Initial Priority 1 Debt" means any Financial Indebtedness of FinCo in respect of the Initial ICL Loans and the Initial ACF Loans.

"Initial RM Properties" means the properties, owned by Relevant Members, which are to be included in the Initial Estate.

"Initial Standard Securities" means each first ranking standard security in terms of the Conveyancing and Feudal Reform (Scotland) Act 1970 granted over a Scottish Property substantially in the form set out in Schedule 6 to the Security Trust and Intercreditor Deed, to be entered into on or about the Exchange Date.

"Initial Swap Agreement" means each Swap Agreement amended or dated on or about the Exchange Date and entered into between Land Securities PLC and an Initial Swap Counterparty.

"Initial Swap Counterparties" means those parties specified as such in Schedule 1 (*Parties*) to the Common Terms Agreement.

"Initial T3 Covenant Regime" means the covenant regime that will apply under the Common Terms Agreement if any of the T2 Thresholds, but none of the Initial T3 Thresholds, are breached at the relevant time.

"Initial T3 Covenants" means the covenants set out in Schedule 5 (*Initial T3 Covenants*) to the Common Terms Agreement.

"Initial T3 Threshold" means (a) in respect of the LTV and the Additional LTV, 80% and (b) in respect of the Historical ICR, the Pro Forma Historical ICR, the Projected ICR and the Additional Projected ICR, 1.20:1.

"Initial Valuation Report" means the valuation report dated 2 November 2004 issued by Knight Frank LLP in respect of the Initial Estate.

"Insolvency Act" means the Insolvency Act 1986.

"Insolvency Event" in respect of any company means:

- (a) such company is unable or admits its inability to pay its debts as they fall due (after taking into account any grace period or permitted deferral), or suspends making payments on any of its debts; or
- (b) the value of the assets of such company is less than the amount of its liabilities, taking into account its contingent and prospective liabilities; or
- (c) a moratorium is declared in respect of any indebtedness of such company; or
- (d) the commencement of negotiations with one or more creditors of such company with a view to rescheduling any indebtedness of such company other than in connection with any refinancing in the ordinary course of business; or
- (e) any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (i) the appointment of an Insolvency Official in relation to such company or in relation to the whole or any part of the undertaking or assets of such company; or
 - (ii) an encumbrancer (excluding the Obligor Security Trustee, the Note Trustee or any Receiver) taking possession of the whole or any part of the undertaking or assets of such company; or
 - (iii) the making of an arrangement, composition, or compromise (whether by way of voluntary arrangement, scheme of arrangement or otherwise) with any creditor of such company, a reorganisation of such company, a conveyance to or assignment for the creditors of such company generally or the making of an application to a court of competent jurisdiction for protection from the creditors of such company generally other than in connection with any refinancing in the ordinary course of business; or
 - (iv) any distress, execution, attachment or other process being levied or enforced or imposed upon or against the whole or any part of the undertaking or assets of such company (excluding, in relation to the by the Obligor Security Trustee, the Note Trustee or any Receiver); or

- (f) any procedure or step is taken, or any event occurs, analogous to those set out in paragraphs (a) to (e) above, in any jurisdiction.

"Insolvency Official" means, in relation to an company, a liquidator, provisional liquidator, administrator, administrative receiver, receiver, receiver or manager, compulsory or interim manager, nominee, supervisor, trustee, conservator, guardian or other similar officer in respect of such company or in respect of any arrangement, compromise or composition with any creditors or any equivalent or analogous officer under the law of any jurisdiction.

"Instalment Notes" means any Notes (other than Class R Notes) specified as such in the relevant Pricing Supplement.

"Insurance Policies" means all liability and material damage policies from time to time effected in respect of any of the Mortgaged Properties.

"Intellectual Property Release" means, in respect of any Intellectual Property Right, a deed, agreement or other document that, upon the due execution thereof by the Obligor Security Trustee and the completion of such other formalities as may be required, is effective to release or re-convey to the relevant Obligor the entire security interest in respect of such Intellectual Property Right held by the Obligor Security Trustee (for itself and on behalf of the other Obligor Secured Creditors) under the Obligor Transaction Documents.

"Intellectual Property Rights" means copyright, patents, database rights and rights in know-how, trade marks, get-up and the theme and formatting of trading outlets, and registered designs and design rights (each whether registered or unregistered), applications for registration and the right to apply for registration for any of the foregoing, any licence in respect of any of the foregoing, and all other intellectual property rights and equivalent or similar forms of protection existing anywhere in the world.

"Intercompany Loan Agreement" means the intercompany loan agreement dated on or about the Exchange Date and entered into between, *inter alios*, the Issuer, FinCo and the Note Trustee.

"Interest Commencement Date" means, in the case of interest-bearing Notes, the date specified in the applicable Pricing Supplement from (and including) which such Notes bear interest, which may or may not be the Issue Date.

"Intermediate Valuation Report" means a report setting out the Market Value of one or more Mortgaged Properties by a Valuer (other than a Valuation Report on the Estate), which report has been prepared since the most recent Valuation Report on the Estate.

"Intra-Security Group Disposal" means the Disposal of a Mortgaged Property or Obligor from one Obligor to another Obligor.

"investment sub-ledger" bears the meaning given to such term in Clause 15.11.6 (*Establishment of sub-ledgers*) of the Common Terms Agreement.

"Investor Report" means each of the reports required to be delivered by the Obligors on each Reporting Date pursuant to Paragraph 3.1 (*Investor Reports*) of Schedule 3 (*T1 Covenants*) to the Common Terms Agreement.

"Irish Paying Agent" means Deutsche International Corporate Services (Ireland) Ltd, acting through its office at 5 Harbourmaster Place, International Financial Services Centre, North Wall Quay, Dublin 1, or, if applicable, any Successor Irish paying agent in relation to the Notes of any

Series at its Specified Office, subject to and in accordance with the terms of the Agency Agreement.

"Irish Stock Exchange" means the Irish Stock Exchange Limited.

"ISDA" means the International Swap and Derivatives Association, Inc.

"Issue Date" means the date of issue of any Notes.

"Issue Price" means in relation to any Notes the price as stated in the relevant Pricing Supplement, generally expressed as a percentage of the nominal amount of the Notes, at which such Notes will be issued.

"Issuer" means Land Securities Capital Markets PLC, a public company with limited liability incorporated under the laws of England and Wales with registered number 5193511 and whose registered office is at 5 Strand, London WC2N 5AF.

"Issuer Accounts" means:

- (a) the Initial Issuer Account; and
- (b) any other account designated as an "Issuer Account", held in the name of the Issuer and maintained with the Account Bank pursuant to the terms of the Account Bank and Cash Management Agreement and opened, with the consent of the Note Trustee, at any branch of the Account Bank or at an Eligible Bank for the purpose of making payments in currencies other than sterling.

"Issuer Deed of Charge" means the deed of charge to be dated on or about the Exchange Date and entered into between, among others, the Issuer and the Note Trustee.

"Issuer Event of Default" means any of the events listed in Condition 11 (*Issuer Events of Default*).

"Issuer Payment Priorities" means the Issuer Pre-Enforcement Priority of Payments or, as applicable, the Issuer Post-Enforcement Priority of Payments.

"Issuer Post-Enforcement Priority of Payments" means the payment priorities for the Issuer applicable post-enforcement of the Issuer Security, as contained in Clause 15 (*Issuer Post-Enforcement Priority of Payments*) of the Issuer Deed of Charge.

"Issuer Pre-Enforcement Priority of Payments" means the payment priorities for the Issuer which are applicable pre-enforcement of the Issuer Security, as contained in Clause 14 (*Issuer Post-Enforcement Priority of Payments*) of the Issuer Deed of Charge.

"Issuer Priority of Payments" bears the same meaning as Issuer Payment Priorities.

"Issuer Secured Creditors" means the Note Trustee, the Noteholders, any receiver appointed under the Issuer Deed of Charge, the Account Bank, the Cash Manager and any Replacement Cash Manager (so long as they are not members of the Land Securities Group), the Registrar, the Transfer Agents, the Paying Agents, the Agent Bank and any other creditors who accede to the Issuer Deed of Charge from time to time in accordance with the terms thereof.

"Issuer Security" means the security interests created by the Issuer pursuant to the Issuer Deed of Charge.

"Issuer Transaction Documents" means:

- (a) the Offering Circular (including all documents incorporated by reference into it) and any Supplemental Offering Circular;
- (b) the Notes and any Pricing Supplement relating to the Notes;
- (c) the Trust Deed;
- (d) the Note Subscription Agreement;
- (e) Dealership Agreement;
- (f) any Class R Underwriting Agreement;
- (g) the Agency Agreement;
- (h) the Issuer Deed of Charge;
- (i) the Account Bank and Cash Management Agreement;
- (j) the Servicing Agreement;
- (k) the Tax Deed of Covenant;
- (l) the Common Terms Agreement;
- (m) the Security Trust and Intercreditor Deed;
- (n) the Intercompany Loan Agreement;
- (o) the Obligor Floating Charge Agreement; and
- (p) any other agreement, instrument or deed designated as such by the Issuer and the Note Trustee.

"JerseyCo" means an Obligor that is a company incorporated in Jersey.

"Jersey Collateral" means such property and assets as comprises intangible moveable property which is from time to time situate or deemed to be situate in Jersey under the conflicts of laws provisions applied by Jersey courts including, for the avoidance of doubt, all Shares (including, without limitation, any Shares in LM Property Investments Limited, LS Allington Towers Limited and Wood Street (Jersey) Limited) and all dividends, interest and other monies payable from time to time in respect of such Shares (including redemption, any bonus or any rights arising under any preference, option, substitution or conversion relating to such Shares).

"Jersey Collateral Owner" means each Obligor having an interest in the Jersey Collateral.

"Jersey Security Interest" means the security interest created pursuant to Clause 5.3 (*Jersey Security*) of the Security Trust and Intercreditor Deed.

"Jersey Security Interests Law" means the Security Interests (Jersey) Law 1983 as amended.

"Land Securities Group" means the direct and indirect subsidiaries of Land Securities Group PLC (including the Issuer and the Obligors).

"Land Securities Group PLC" means Land Securities Group PLC, a public company listed on the London Stock Exchange with limited liability incorporated under the laws of England and

Wales with registered number 4369054 and whose registered office is at 5 Strand, London WC2N 5AF.

"Land Securities Information" means the information contained in the following sections of the Offering Circular: "*Corporate Reorganisation of the Land Securities Group*", contained in Chapter 1 "*Transaction Overview*"; Chapter 7 "*FinCo*"; Chapter 8 "*Main Obligors*"; Chapter 9 "*Land Securities Group Business and Information regarding the Estate*"; Appendix 1 (*Land Securities Group PLC: last annual consolidated accounts*) and any other information set out in the Offering Circular relating to the business of Land Securities Group PLC and Land Securities PLC or any one or more Non-Restricted Group Entities or Security Group members.

"Land Securities Intra-Group Funding Deed" means the intra-group funding deed entered into on or about the Exchange Date between, among others, LSP, LSF, the Security Group and certain Non-Restricted Group Entities.

"Latest Accounts", in respect of any Obligor, means that Obligor's most recent annual audited financial statements then available (or, if such Obligor has become a member of the Security Group since the date of its last annual audited financial statements, any *pro forma* financial statements drawn up at the time it became an Obligor).

"Lease Surrender" bears the same meaning as Surrender.

"Leasing Agreement" means any lease, licence or other occupational agreement (or any agreement to enter into such a lease, licence or other occupational agreement in the future) to which a Mortgaged Property is subject, other than any lease, licence or other agreement pursuant to which all or some of the capital value of the relevant Mortgaged Property is transferred by the lessor to the lessee.

"Letting Criteria" bears the meaning given to such term in Paragraph 2.7 (*Leasing*) of Schedule 3 (*T1 Covenants*) to the Common Terms Agreement.

"Liability" means any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceedings or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees on a full indemnity basis.

"Liquidity Downgrade Event" means a Liquidity Facility Provider's short term, unsecured, unsubordinated and unguaranteed debt obligations ceasing to be rated at least the Minimum Short Term Ratings.

"Liquidity Effective Date" means, in respect of any Liquidity Relevant Date:

- (a) if the Liquidity Threshold was breached (in the case of a Liquidity Threshold Initial Breach Date) or breached further (in the case of any other Liquidity Relevant Date) as of the Liquidity Relevant Date solely as a result of a fall in the Market Value of Mortgaged Properties and/or any other circumstances beyond the control of the Obligors, the date falling six months after such Liquidity Relevant Date; or
- (b) if the Liquidity Threshold was breached (in the case of a Liquidity Threshold Initial Breach Date) or breached further (in the case of any other Liquidity Relevant Date) as a result of, *inter alia*, one or more voluntary acts of the Obligors, the date falling two months after such Liquidity Relevant Date.

"Liquidity Event" means a Liquidity Downgrade Event or when a Liquidity Facility Provider declines to renew the commitment period of a Liquidity Facility and that Liquidity Facility

Provider or FinCo is unable to put in place a replacement Liquidity Facility Provider which has the Minimum Short Term Ratings.

"Liquidity Facility" means the facility granted under a Liquidity Facility Agreement.

"Liquidity Facility Agreement" means an agreement which has been designated as such pursuant to Clause 8 (*Liquidity Facility Agreements*) of the Common Terms Agreement.

"Liquidity Facility Provider" means a provider of the Liquidity Facility under a Liquidity Facility Agreement.

"Liquidity Facility Reserve Account" means any account so designated held in the name of FinCo and maintained at any branch of an Eligible Bank approved by the Obligor Security Trustee, for the purpose of providing a fund from which liquidity advances will be made if a Liquidity Event occurs under any Liquidity Facility Agreement.

"Liquidity Facility Subordinated Amounts" means, in relation to a Liquidity Facility:

- (a) any increased costs payable by FinCo under the relevant Liquidity Facility Agreement save to the extent representing the cost of regulatory capital attributable to such Liquidity Facility; and
- (b) the aggregate of any amounts payable by FinCo to the relevant Liquidity Facility Provider in respect of its obligation to increase any payments made by it in respect of such Liquidity Facility as a result of FinCo being obliged to withhold or deduct an amount for or on account of tax from such payments.

"Liquidity Ledger" bears the meaning given to such term in Clause 15.4.5 (*Establishment of Liquidity Ledger*) of the Common Terms Agreement.

"Liquidity Minimum Ratings" bears the meaning given to such term in Clause 8.4 (*Criteria*) of the Common Terms Agreement.

"Liquidity Prepayment Provision" bears the meaning given to such term in Clause 11.7.4 (*Pursuant to the Mandatory Liquidity Provisions*) of the Common Terms Agreement.

"Liquidity Relevant Date" means the Tier Test Determination Date or Additional Tier Determination Date for the Tier Test Calculation Date or Additional Calculation Date as of which the LTV breaches the Liquidity Threshold.

"Liquidity Relevant Period" means, in respect of any Liquidity Relevant Date, the period between the Liquidity Effective Date immediately following such Liquidity Relevant Date and the first Tier Test Calculation Date or Additional Calculation Date as of which the Liquidity Threshold is not breached.

"Liquidity Threshold" means, in respect of the LTV calculated pursuant to either the Tier Tests or the Additional Tier Tests, 56%.

"Liquidity Threshold Initial Breach Date" means a Liquidity Relevant Date if the Liquidity Threshold was not breached as of the Tier Test Calculation Date or Additional Calculation Date immediately preceding such Liquidity Relevant Date.

"Loan Acceleration Notice" bears the meaning given to such term in Clause 17 (*Enforcement*) of the Common Terms Agreement.

"Loan Enforcement Notice" bears the meaning given to such term in Clause 17 (*Enforcement*) of the Common Terms Agreement.

"Loan Payment Date" means either an ICL Loan Payment Date or an ACF Loan Payment Date.

"Loans" means ICL Loans and ACF Loans.

"Lower Ranking Notes" means, in relation to any Class of Notes, Notes of a Class or Classes (if any) ranking in point of security below such Class of Notes.

"LPA" means the Law of Property Act 1925.

"Lpartnerships" means Land Securities Partnerships Limited.

"LPHL" means Land Securities Property Holdings Limited.

"LPL" means Land Securities Properties Limited.

"LPML" means Land Securities Portfolio Management Limited.

"LSF" means Land Securities (Finance) Limited.

"LSP" means Land Securities Properties Limited.

"LTL" means Land Securities Trillium Limited.

"LTV" bears the meaning given to such term in Clause 12.2.1 (*Tests to be conducted*) of the Common Terms Agreement.

"Mandatory Liquidity Provisions" means the provisions set out in Clause 8.6 (*Mandatory Liquidity Provisions*) of the Common Terms Agreement.

"Mandatory Prepayment" means a Prepayment that is required by the Mandatory Prepayment Provisions.

"Mandatory Prepayment Provisions" means the Ratings Event Prepayment Provision, the Headroom Test Prepayment Provision, the T3 Prepayment Provision, the Liquidity Prepayment Provision, the P1 Debt Prepayment Provision, the Change of Control Prepayment Provision and the DPA Prepayment Provision.

"Market Value" means:

- (a) in the case of a Trading Property, the lower of the cost and the net realisable value of such Trading Property, in each case as determined by the Obligors;
- (b) in the case of a Development or other Mortgaged Property (other than a Mortgaged Property referred to in paragraph (c) or (e) below) which is not a Trading Property, the market value attributed to such Mortgaged Property in the most recent Valuation Report on the Estate;
- (c) in the case of a Nominated Eligible Property or a Development or other Mortgaged Property which was not valued in connection with the most recent Valuation Report on the Estate, the market value attributed thereto in the most recent Valuation Report on such Development or property;
- (d) in the case of the Estate as a whole, the Total Collateral Value; and

- (e) in the case of a Post-Division Property which was not valued in connection with the most recent Valuation Report on the Estate, the Market Value attributed to such Post-Division Property in the certificate referred to in Clause 3.4 (*Division of Mortgaged Properties*) of the Common Terms Agreement;

provided, in the case of paragraphs (b) to (e) (*inclusive*), the market value of any Development or other Mortgaged Property, or any Nominated Eligible Property, will be determined by the relevant Valuers in accordance with whichever of the following is applicable:

- (i) the definition of "market value" contained in Chapter 3 of the current (as at the Exchange Date) edition of the RICS Appraisal and Valuation Standards (for Nominated Eligible Properties and Mortgaged Properties situated in England, Wales or Scotland);
- (ii) Standard 4.10 of the current (as at the Exchange Date) edition of The European Valuation Standards issued by The European Group of Valuers' Associations (for Nominated Eligible Properties and Mortgaged Properties situated in Europe (as defined by the European Group of Valuers' Associations) but outside England, Wales or Scotland);
- (iii) a method of valuation in accordance with International Valuation Standard 1 of the International Valuation Standards (as at the Exchange Date) issued by the International Valuation Standards Committee (for Nominated Eligible Properties and Mortgaged Properties situated outside of England, Wales, Scotland and Europe (as defined by the European Group of Valuers' Associations)); or
- (iv) subject to any requirement to the contrary contained in any applicable listing rules (where market value is calculated pursuant to such rules), such other methodology for determining market value as may be selected from time to time by the Obligors and notified to the Rating Agencies and the Obligor Security Trustee in the Investor Report published immediately before such proposed methodology is implemented being a methodology (including but not limited to those in accordance with International Valuation Standards issued by the International Valuations Standards Committee) which is generally accepted amongst broadly based property investment and development businesses in the jurisdiction in which the Mortgaged Properties for which the basis of valuation is to change are located.

"Material Adverse Effect" means any effect which:

- (a) is materially adverse to the ability of the Obligors (taken as a whole) to perform in a timely manner all or any of their payment obligations under any of the Obligor Transaction Documents; or
- (b) results in (i) any Obligor Transaction Document being not legal, valid and binding on, or not enforceable against, any party thereto or (ii) the security over the assets expressed to be encumbered thereby not being valid or enforceable against the Obligors, in each case, and taken in the context of the obligations of the Obligors as a whole, in any respect that, in the case of (i) or (ii), above, is material and adverse to the interests of the Obligor Secured Creditors.

"Material Damage Policy" bears the meaning given to such term in Paragraph 2.14(a) (*maintain valid insurance*) of Schedule 3 (*T1 Covenants*) of the Common Terms Agreement.

"Materiality Threshold" bears the meaning given to that term in Clause 1.1 (*Interpretation*) of the Tax Deed of Covenant.

"Maturity Restrictions" means the restrictions set out in Clause 7.8.1 (*Maturity Restrictions*) of the Common Terms Agreement.

"Maximum Drawing Amount" means the higher of:

- (a) £200,000,000; and
- (b) 2% of the Total Collateral Value from time to time.

"Minimum Amortisation Amount" means, in respect of the ACF Loans and the ICL Loans at any time:

- (a) the aggregate of the scheduled amortisation amounts specified in the most recent Amortisation Schedule in respect of the quarterly dates occurring before such time; less
- (b) the aggregate of all Prepayments made since the most recent Amortisation Determination Date.

"Minimum Long Term Ratings" means, for any person, that the long term unsecured, unsubordinated and unguaranteed debt obligations of such person are rated by S&P, Moody's and Fitch (or such of them as are Rating Agencies at the relevant time) at least AA in the case of S&P, Aa2 in the case of Moody's and A+ in the case of Fitch (or such other ratings as may be agreed with the relevant Rating Agency from time to time).

"Minimum Short Term Ratings" means:

- (a) in respect of any Eligible Bank, that the short term unsecured, unsubordinated and unguaranteed debt obligations of such Eligible Bank are rated by S&P, Moody's and Fitch (or such of them as are Rating Agencies at the relevant time) at least A-1+ in the case of S&P, P-1 in the case of Moody's and F-1 in the case of Fitch; or
- (b) in respect of any other person, that the short term unsecured, unsubordinated and unguaranteed debt obligations of such person are rated by S&P, Moody's and Fitch (or such of them as are Rating Agencies at the relevant time) at least A-1+ in the case of S&P, P-1 in the case of Moody's and F-1+ in the case of Fitch,

or, in each case, such other ratings as may be agreed with the relevant Rating Agency from time to time.

"Minor Occupational Agreements" means a Leasing Agreement which is:

- (a) a lease or licence of an Automated Teller Machine; or
- (b) a licence (which does not create a landlord and tenant interest); or
- (c) a concession or franchise (which does not create a landlord and tenant interest); or
- (d) a lease or licence of one or more car parking spaces; or
- (e) a lease for a term granted of five years or less which has a passing rent of less than £25,001 (subject to RPI Indexation); or
- (f) a lease, licence or wayleave agreement or easement relating to telecommunications equipment or other services; or

- (g) documentation relating to advertising promotions and the like; or
- (h) a lease of an electricity sub-station; or
- (i) a lease of management offices or premises,

but excluding any such Leasing Agreement if the inclusion of the same as a Minor Occupational Agreement would result in (i) the aggregate Rental Income derived from all such Leasing Agreements in respect of any particular Mortgaged Property exceeding 10% of the Rental Income for the Mortgaged Property in question and/or (ii) the aggregate Rental Income derived from all such Leasing Agreements in respect of the Estate as a whole exceeding 5% of the Rental Income derived from the Estate to the intent (in any such case) that any Leasing Agreements of the type listed above, which will result in any excess over and above that amount of Rental Income, will not be treated as Minor Occupational Agreements.

"Monetary Claims" means, in respect of each Obligor, any book and other debts and monetary claims owing to such Obligor and any proceeds thereof (including any proceeds, claims or sums of money deriving from or in relation to any Leasing Agreement, any Development Contract, any Insurance Policy, any Intellectual Property Rights, any Eligible Investment, any court order, any judgment or any decree).

"Moody's" means Moody's Investors Service Limited or its successor by way of name change or merger from time to time.

"More Senior Notes" means, in relation to any Class or Sub-Class of Notes, Notes of a Class or Classes, or of a Sub-Class or Sub-Classes (if any) ranking in point of security above such Class of Notes.

"Mortgage" means a mortgage in the form of Schedule 5 to the Security Trust and Intercreditor Deed.

"Mortgage Date" has the meaning given to such term in Clause 3.1.1 (*Obligors may nominate*) of the Common Terms Agreement.

"Mortgaged Properties" means, at any time, Original Mortgaged Properties, Additional Mortgaged Properties and Post-Division Properties which in each case are not Released Properties (and excluding Undivided Properties which have been split into Post-Division Properties).

"Most Senior Class of Debtholders" means:

- (a) Noteholders of Notes corresponding to ICL Loans comprised in Priority 1 Debt (if any) and ACF Providers of ACF Loans comprised in Priority 1 Debt (if any), for so long as there is any Priority 1 Debt outstanding;
- (b) thereafter, Noteholders of Notes corresponding to ICL Loans comprised in Priority 2 Debt (if any) and ACF Providers of ACF Loans comprised in Priority 2 Debt (if any), for so long as there is any Priority 2 Debt outstanding;
- (c) thereafter, Noteholders of Notes corresponding to ICL Loans comprised in Subordinated Debt (if any) and ACF Providers of ACF Loans comprised in Subordinated Debt (if any) (or, if there are different rankings (in point of security) of Subordinated Debt according to the Secondary Debt Rank, the Subordinated Debt of the highest ranking according to the Secondary Debt Rank).

"Most Senior Class of Notes" means the Priority 1 Notes for so long as there are any Priority 1 Notes outstanding and, thereafter, the Priority 2 Notes for so long as there are any Priority 2 Notes outstanding and, thereafter, the Subordinated Notes (or, if there are different rankings (in point of security) of Subordinated Notes, the Subordinated Notes of the highest ranking (in point of security) according to the Secondary Debt Rank).

"net currency exposure" bears the meaning given to such term in Clause 9.4 (*Security Group Shall Hedge Currency Exposure*) of the Common Terms Agreement.

"Net Sales Proceeds" means, in relation to a Mortgaged Property, the Sales Proceeds or Deemed Disposal Proceeds relating to such Mortgaged Property less (a) any amounts required to be deposited into a Tax Reserve Account in connection with its Disposal in accordance with the Tax Deed of Covenant or (b) if no deposit is required to be made into a Tax Reserve Account to fund the payment of that tax, any tax associated with the Disposal of such Mortgaged Property in each case, disregarding the availability of capital losses which would be available to offset the tax associated with the Disposal (and, in relation to (a) to reduce the amount required to be so deposited) other than losses that have accrued to the Obligor that made such Disposal.

"Net Unsecured Debt" means, at any time, the aggregate Adjusted Principal Amount of all Unsecured Debt (other than Financial Indebtedness incurred under a Contingency Bond); provided that (a) the Outstanding Bond Debt Amount shall be excluded to the extent of the amount of Permitted Drawings of Priority 1 Debt or Priority 2 Debt that the Obligors could make under a committed facility at that time and (b) the amount of Unsecured Debt outstanding under commercial paper issued by any Obligor shall be excluded to the extent of the amount of Permitted Drawings of Priority 1 Debt, Priority 2 Debt or Subordinated Debt that the Obligors could make under a committed facility at that time.

"Nominated Eligible Property" bears the meaning given to such term in Clause 3.1.1 (*Obligors May Nominate*) of the Common Terms Agreement.

"Nominees" means the Initial Nominees and any Additional Obligors who act as Trustees of Land under a Trust Declaration.

"Non-Administrative Receiver" means a Receiver other than an administrative receiver.

"Non-Contingent Loan" means any Loan which is not a Contingency Bond.

"Non-DR Global Note Certificate" means, in respect of any Series, the non dual registered global note certificate to be issued in the form or substantially in the form set out in Part F (*Form of Non-DR Global Note Certificate*) of Schedule 2 of the Trust Deed.

"Non-DR Individual Note Certificate" means, in respect of any Series, the non dual registered individual note certificate to be issued in the form or substantially in the form set out in Part E (*Form of Non-DB Individual Note Certificate*) of Schedule 2 of the Trust Deed.

"Non-GB Property" means a Mortgaged Property or (depending on the context) Nominated Eligible Property which is located outside England, Wales and Scotland.

"Non-Restricted Group" means all of the Non-Restricted Group Entities.

"Non-Restricted Group Cash Manager" means Land Securities Properties Limited.

"Non-Restricted Group Entity" means any entity (or shareholders in any entity) which is a member of the Land Securities Group but which is neither a member of the Security Group nor the Issuer.

"Non-UK Disposal Tax Liability" bears the meaning given to that term in Clause 1.1 (*Interpretation*) of the Tax Deed of Covenant.

"Non-UK Obligor" means a Proposed Non-UK Obligor in respect of which the Obligor Security Trustee and the Note Trustee have executed the deeds and other documents referred to in Clause 4.2.2 (*Non-UK Obligor Proposal Certificate*) pursuant to Clause 4.2.3 (*Execution by the Obligor Security Trustee and Note Trustee*) of the Common Terms Agreement.

"Non-UK Obligor Proposal Certificate" bears the meaning given to such term in Clause 4.2.1 (*Obligors may propose amendments*) of the Common Terms Agreement.

"Note Enforcement Notice" bears the meaning given to such term in Condition 11 (*Issuer Events of Default*).

"Note Interest Period", for any Sub-Class of Notes, bears the meaning given to such term in Condition 6(j) (*Definitions*) and the relevant Pricing Supplement.

"Note Payment Date" bears the meaning given to such term in Condition 6(j) (*Definitions*) and the relevant Pricing Supplement.

"Note Step-Up Amount" means, in relation to any Sub-Class of Notes, the amount of the interest payable in respect thereof which represents an increase in margin (in the case of Floating Rate Notes or, where Condition 6(f) (*Floating Rate Step-Up*) applies, Fixed Rate Notes, Indexed Notes or Zero Coupon Notes) from a specific date, as specified in the relevant Pricing Supplement.

"Note Step-Up Date" means, in relation to any Sub-Class of Notes, the date (if any) as specified in the relevant Pricing Supplement on and from which there is an increase in margin (in the case of Floating Rate Notes) or an increase in interest rate (in the case of Fixed Rate Notes).

"Note Subscription Agreement" means the note subscription agreement dated on or before the Exchange Date and entered into between the Issuer and Land Securities PLC in relation to the Initial Notes.

"Note Trustee" means Deutsche Trustee Company Limited, having its registered address at Winchester House, 1 Great Winchester Street, London EC2N 2DB, in its capacity as trustee for the Noteholders pursuant to the Trust Deed, or such other entity or entities appointed as successor note trustee from time to time, subject to and in accordance with the terms of the Trust Deed.

"Noteholders" means the holders from time to time of Notes or (as the context requires) any Class or Sub-Class of Notes.

"Noteholders' Affirmation" means, in relation to a Sub-Class of Notes, an affirmation in a meeting by the Noteholders of the relevant Sub-Class of Notes that, as a result of the occurrence of a Ratings Event in relation thereto, they wish the Issuer to redeem such Sub-Class of Notes in whole.

"Notes" means the Class A Notes, the Class B Notes, the Class R Notes or the Subordinated Notes or any Class or Sub-Class thereof, as the context requires, issued by the Issuer under the Programme.

"Notice Details" bears the meaning given to such term in Clause 19.13.2 (*Notice Details*) of the Common Terms Agreement.

"Notice of Security" means: (a) in respect of any Insurance Policy, a notice of security in substantially the form set out in Part A of Schedule 8 (*Form of Notice of Assignment of Insurance Policies*) to the Security Trust and Intercreditor Deed or (b) in respect of any Obligor Transaction Document executed subsequent to the date of the Security Trust and Intercreditor Deed, a notice to the other parties to the relevant Obligor Transaction Documents in the form of Part B of Schedule 8 (*Form of Notice of Assignment of Obligor Transaction Document*) to the Security Trust and Intercreditor Deed.

"Obligor Accession Date" bears the meaning given to such term in Clause 2.1.1 (*Nomination of Additional Obligors*) of the Common Terms Agreement.

"Obligor Accession Deed" means a deed in the form of Schedule 9 (*Obligor Accession Deed*) of the Common Terms Agreement.

"Obligor Accounts" means the Collection Accounts, the Disposal Proceeds Account, the Debt Collateralisation Account, the Income Replacement Account, any Liquidity Facility Reserve Account, the General Tax Reserve Account, the Specific Tax Reserve Account, any Approved Blocked Account, any Swap Collateral Account, Swap Excluded Amount Account and any other bank account held from time to time by any Obligor to which it is beneficially entitled.

"Obligor Corporate Chart" means the corporate structure chart entitled "Obligor Corporate Chart" and initialled, for the purpose of identification, by the Principal Obligor and the Obligor Security Trustee on the Exchange Date.

"Obligor Eligible Investment Accounts" bears the meaning given to such term in Clause 15.11.2 (*Acquisition of Eligible Investments*) of the Common Terms Agreement.

"Obligor Event of Default" bears the meaning given to such term in Clause 16.1 (*Obligor Events of Default*) of the Common Terms Agreement.

"Obligor Fixed Security" means all Obligor Security other than the STID Floating Security and the OFCA Floating Security.

"Obligor Floating Charge Agreement" means the floating charge agreement to be dated on or about the Exchange Date and entered into between the Issuer, the Obligor Security Trustee, the Note Trustee and the Obligors.

"Obligor General Transaction Documents" means the Obligor Transaction Documents other than the ACF Agreements, the Swap Agreements, the Liquidity Facility Agreements and the Intercompany Loan Agreement.

"Obligor Property" means any interest in any real estate in any location owned by an Obligor.

"Obligor Release Deed" means a deed substantially in the form of Schedule 11 (*Obligor Release Deed*) to the Common Terms Agreement.

"Obligors" means the Original Obligors together with any Additional Obligor (and each an "Obligor"), and excludes any Released Obligor.

"Obligor Secured Creditors" at any time means:

- (a) the Obligor Security Trustee (for itself and for and on behalf of the other Obligor Secured Creditors);
- (b) the Issuer;
- (c) the Note Trustee as assignee by way of security of the Issuer's rights under the Obligor Transaction Documents and in respect of its indemnification rights against the Obligors under the Obligor Floating Charge Agreement;
- (d) the Initial ACF Providers;
- (e) the Initial Swap Counterparties;
- (f) the Account Bank;
- (g) any Receiver appointed under the Security Trust and Intercreditor Deed and the Obligor Floating Charge Agreement;
- (h) any Further ACF Provider;
- (i) any Replacement Cash Manager;
- (j) any Replacement Servicer;
- (k) any Liquidity Facility Provider; and
- (l) any Swap Counterparty other than an Initial Swap Counterparty;

and in the case of (h) to (l) above, to the extent that it is party (either as at the Exchange Date or by way of accession pursuant to the its execution of a Creditor Accession Deed and the countersignature by the Obligor Security Trustee of the same) to the Common Terms Agreement and the Security Trust and Intercreditor Deed and remains as a party thereto at the relevant time.

"Obligor Security" means the security interests created by the Obligors pursuant to the Obligor Security Documents.

"Obligor Security Documents" means:

- (a) the Security Trust and Intercreditor Deed;
- (b) any supplemental mortgage executed pursuant to the Security Trust and Intercreditor Deed;
- (c) any Obligor Accession Deed;
- (d) the Initial Standard Securities;
- (e) any Supplemental Standard Securities;
- (f) the Obligor Floating Charge Agreement;
- (g) the Trust Declarations;
- (h) the Beneficiary Undertakings; and

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

"Obligor Security Trustee" means Deutsche Trustee Company Limited, whose registered office is at Winchester House, 1 Great Winchester Street, London EC2N 2DB, in its capacity as trustee for the Obligor Secured Creditors from time to time under the Security Trust and Intercreditor Deed, or such other entity or entities appointed as successor obligor security trustee from time to time, subject to and in accordance with the terms of the Security Trust and Intercreditor Deed.

"Obligor Transaction Documents" means each or any of:

- (a) the Common Terms Agreement;
- (b) the Swap Agreements;
- (c) any Liquidity Facility Agreements;
- (d) the Intercompany Loan Agreement;
- (e) the ACF Agreements;
- (f) the Obligor Security Documents;
- (g) the Account Bank and Cash Management Agreement;
- (h) the Tax Deed of Covenant;
- (i) the Reorganisation Documents;
- (j) the Servicing Agreement; and
- (k) any other agreement, instrument or deed designated as such by the Obligors and the Obligor Security Trustee.

"Occupier" means the lessee or other party entitled to occupy any Mortgaged Property (or part thereof) pursuant to any Leasing Agreement.

"OFCA Floating Security" means the floating charges granted by the Obligors in favour of the Issuer pursuant to the Obligor Floating Charge Agreement and assigned by way of security to the Note Trustee pursuant to the Issuer Deed of Charge.

"OFCA Secured Obligations" means, in respect of any Obligor (1) all sums from time to time owing by FinCo to the Issuer under the Intercompany Loan Agreement, (2) all sums eventually falling due and payable by such Obligor to the Issuer under the loan referred to in Clause 2.2 (*Loan*) of the Obligor Floating Charge Agreement made to it, (3) all obligations under and amounts owed to the Issuer by each Obligor under the Guarantees provided pursuant to Clause 4 (*Guarantee and Indemnity*) of the Security Trust and Intercreditor Deed and (4) all Fees and Expenses payable by the Obligors to the Note Trustee (and any administrative receiver) by way of joint and several indemnity under the Obligor Floating Charge Agreement.

"Offering Circular" means the offering circular dated 2 November 2004 issued in connection with the Programme and the application to list the Notes on the Irish Stock Exchange, as revised, supplemented or amended from time to time, including any documents which are from time to time incorporated therein by reference.

"Office Sector" means the use of a Mortgaged Property primarily as offices within Use Class B1 of the Use Classes Order 1987.

"Ongoing Facility Fee" means the facility fee payable from the Obligors to the Issuer under the Intercompany Loan Agreement after the Exchange Date.

"Operating Accounts" means any accounts in the name of the Obligors and held with the Account Bank, the principal purpose of each of which is to provide an overdraft facility to the relevant Obligor.

"Optional Calculation Date" means any date designated as such by any Obligor in a notice in writing to the Issuer, the Obligor Security Trustee and the Note Trustee.

"Opt-out ACF Provider" means an ACF Provider which, as specified in the relevant ACF Agreement, has agreed with the relevant Obligor that it will exercise its voting rights given to it under the Security Trust and Intercreditor Deed.

"Original Mortgaged Properties" means the Real Property constituting the Estate as at the Exchange Date, as listed in Schedule 2 (*Original Mortgaged Properties*) to the Security Trust and Intercreditor Deed.

"Original Obligors" means the entities listed in Paragraph 1 (*Original Obligors*) of Schedule 1 (*Parties*) to the Common Terms Agreement.

"Other Parties" means the Arranger, the Dealers, the Note Trustee, the Paying Agents, the Transfer Agents, the Registrar, the Agent Bank, the Swap Counterparties, the Account Bank, any Liquidity Facility Provider, any Class R Underwriters, any Class R Agent, the Cash Manager, the Obligor Security Trustee, FinCo, HoldCo, the Obligors, Land Securities PLC and Land Securities Group PLC.

"Other Risks Policy" bears the meaning given to such term in Paragraph 2.14(a) (*maintain valid insurance*) of Schedule 3 (*T1 Covenants*) to the Common Terms Agreement.

"Other Sector" means the use or primary use of a Mortgaged Property for any purpose other than as Office Sector, Shopping Centres and Shops Sector, Retail Warehouses Sector, Industrial Sector or Residential Sector.

"Outstanding Bond Debt Amount" means, at any time, the aggregate principal amount of Existing Note Debt then outstanding (except to the extent that the Obligors have collateralised their obligations in respect of the same to the satisfaction of the trustee of the relevant Existing Note Debt, as certified to the Obligor Security Trustee by two Authorised Signatories).

"Outstanding Transaction" bears the meaning given to such term in Clause 12.4.3(a) (*Tests on Additional Calculation Date*) of the Common Terms Agreement.

"Owner" bears the meaning given to such term in Clause 2.1.1(d)(iii) (*Nomination of Additional Obligors*) of the Common Terms Agreement.

"P1/P2 ACF Providers' Confirmation" bears the meaning given to such term pursuant to Clause 35.3 (*Conditions - Ratings Test not satisfied or sought*) of the Security Trust and Intercreditor Deed.

"P1 Breach Amount" means, at any time, the aggregate of (i) the amount by which Security Group Net Debt Outstanding (as calculated in accordance with the P1 Debt Test) exceeded 55% of the Total Collateral Value as of the most recent P1 Breach Date (or 50%, if such P1

Breach Date fell during a Change of Control Period) and (ii) all Priority 1 Debt incurred by the Security Group since that P1 Breach Date (if any), less:

- (a) all Priority 1 Debt repaid or Prepaid since that P1 Breach Date;
- (b) all Revolving R1/R2 ACF Loans converted from Priority 1 Debt into Priority 2 Debt since that P1 Breach Date; and
- (c) all Revolving R1 ICL Loans refinanced with Revolving R2 ICL Loans since that P1 Breach Date.

"P1 Breach Certificate Date" bears the meaning given to such term in Clause 11.7.5 (*Due to breach of P1 Debt Test*) of the Common Terms Agreement.

"P1 Breach Date" bears the meaning given to such term in Clause 11.7.5 (*Due to breach of P1 Debt Test*) of the Common Terms Agreement.

"P1 Debtholders" means Noteholders of Notes corresponding to ICL Loans comprised in Priority 1 Debt (if any) and ACF Providers of ACF Loans comprised in Priority 1 Debt (if any).

"P1 Debt Prepayment Provision" bears the meaning given to such term in Clause 11.7.5 (*Due to a breach of P1 Debt Test*) of the Common Terms Agreement.

"P1 Debt Test" bears the meaning given to such term in Clause 12.3.1 (*Tests to be conducted*) of the Common Terms Agreement.

"P1 Headroom Test" bears the meaning given to such term in Clause 7.4 (*P1 Headroom Test*) of the Common Terms Agreement.

"P1 ICL Call Option" means a call option given by the Issuer in favour of the Obligor Security Trustee (to be held on trust for the P2 ACF Providers), exercisable following the delivery of a Loan Acceleration Notice and giving the P2 ACF Providers the entitlement (but not the obligation) to purchase the Issuer's and the Note Trustee's rights, title and interest in the Priority 1 ICL Loans (to the extent of principal and interest only), pursuant to Clause 20 (*P1 ICL Call Option*) of the Security Trust and Intercreditor Deed.

"P1 LTV" means the modified loan to value ratio calculated pursuant to the P1 Debt Test.

"P1/P2 Noteholder Confirmation" bears the meaning given to such term pursuant to Clause 35.3 (*Conditions - Ratings Test not satisfied or sought*) of the Security Trust and Intercreditor Deed.

"P1 Trigger Event" bears the meaning given to such term in Clause 22.1 (*Definition*) of the Security Trust and Intercreditor Deed.

"P2 ACF Providers" means, from time to time, ACF Providers providing ACF Loans constituting Priority 2 Debt.

"P2 Debtholders" means Noteholders of Notes corresponding to ICL Loans comprised in Priority 2 Debt (if any) and ACF Providers of ACF Loans comprised in Priority 2 Debt (if any).

"P2 Enforcement Period" bears the meaning given to such term in Clause 23.2 (*Enforcement Period*) of the Security Trust and Intercreditor Deed.

"P2 Headroom Test" bears the meaning given to such term in Clause 7.5 (*P2 Headroom Test*) of the Common Terms Agreement.

"P2 Non-Payment Event" bears the meaning given to such term in Clause 22.1 (*Definition*) of the Security Trust and Intercreditor Deed.

"P2 Trigger Event" bears the meaning given to such term in Clause 22.1 (*Definition*) of the Security Trust and Intercreditor Deed.

"Partly Paid Notes" means Notes (other than Class R Notes) designated as such in the relevant Pricing Supplement issued in the amount as specified in the relevant Pricing Supplement and in respect of which further instalments will be payable in the amounts and on the dates as specified in the relevant Pricing Supplement.

"Partnership" means a partnership governed by the Partnership Act 1890 and/or the Limited Partnerships Act 1907, all of the partners of which are Obligors.

"Passing Rent" means the rent firstly or principally reserved, payable by the relevant lessee pursuant to the corresponding Leasing Agreement, as are payable on an annualised basis from time to time, whether in advance or arrears, and irrespective of whether such sums are inclusive or exclusive of any sum representing a reimbursement of any costs incurred by the lessor, whether in respect of services, insurance premiums or otherwise.

"Paying Agents" means the Principal Paying Agent and the Irish Paying Agent and such other or further paying agents for the Notes as may from time to time be appointed in accordance with the terms of the Agency Agreement.

"Performance Bonds" means a guarantee or indemnity in respect of a financial instrument (in the nature of a demand bond) issued by a financial institution granted by at least one Obligor.

"Permanent Global Note" means, in relation to any Series, a permanent global note in the form or substantially in the form set out in Part B (*Form of Permanent Global Note*) of Schedule 3 of the Trust Deed.

"Permitted Business" means:

- (a) in relation to FinCo or a Financial SPV Obligor, making loans (or providing other financial accommodation) to members of the Security Group, the incurring of Permitted Financial Indebtedness other than Unsecured Debt and the entry into Swap Agreements in accordance with the Hedging Covenant;
- (b) in relation to Land Securities (Finance) Limited, making loans (or providing other financial accommodation) to members of the Land Securities Group and borrowing (or receiving other financial accommodation) from members of the Land Securities Group;
- (c) in relation to HoldCo, holding shares in the Issuer, Land Securities PLC or any other Obligor;
- (d) in the case of SubCo, holding shares in the Nominees;
- (e) in the case of each of the Nominees and Wood Street (Jersey) Limited, holding the legal title to a Mortgaged Property, and where relevant, holding any Development Account; and
- (f) in relation to any other Obligor (other than a Financial SPV Obligor) directly or indirectly investing in commercial and residential property (including by way of trading the same, engaging in and trading Developments and outsourcing) primarily in the United Kingdom, providing real estate-related services to the Occupiers of Mortgaged Properties in

respect of such Mortgaged Properties, all businesses ancillary to the above, holding shares in any other Obligor (or in any company, including a subsidiary, for whose liabilities it is not in any way responsible and in respect of which any obligation to contribute capital is counted towards the Unsecured Debt Limit), the incurring of Permitted Financial Indebtedness and (in the case of Land Securities PLC) exercising its rights and performing its obligations under the Initial Swap Agreements.

"Permitted Drawing" bears the meaning given to such term in Clause 7.2 (*Permitted Drawings*) of the Common Terms Agreement.

"Permitted Encumbrance" means

- (a) any Encumbrance arising under the Obligor Security Documents;
- (b) liens arising solely under statute or by operation of law and in the ordinary course of any Obligor's business and not as a result of any default or omission on the part of any Obligor unless contested in good faith;
- (c) rights of set-off existing in the ordinary course of business activities between any Obligor and its respective suppliers or customers;
- (d) rights of set-off, banker's liens or the like arising by operation of law or by contract by virtue of the provision to any Obligor of permitted clearing bank facilities or committed overdrafts;
- (e) any retention of title to goods, hire purchase, conditional sale agreement or arrangements having similar effect, in relation to goods supplied to any Obligor where such credit arrangement is required by the supplier in the ordinary course of its business and on customary terms;
- (f) any Encumbrance (other than by way of mortgage or Standard Security, or equivalent, over any properties) securing any deferred purchase arrangements entered into in the ordinary course of business;
- (g) any Encumbrance arising in the ordinary course of any Obligor's business where it is required to give to a local authority a guarantee that highway works in association with a development of a property will be completed in a satisfactory manner; and
- (h) any Encumbrance over assets (other than Mortgaged Properties, shares in Obligors and bank accounts) in addition to those referred to in paragraphs (a) to (g), having an aggregate book value not exceeding £25,000,000 (subject to Indexation),

provided that no floating charge (other than under (a) above) shall be a Permitted Encumbrance.

"Permitted Financial Indebtedness" means Financial Indebtedness incurred in accordance with the provisions of Clauses 7 (*Permitted Financial Indebtedness*) and 12.4.4 (*Restrictions on Proposed Additional Transaction*) of the Common Terms Agreement.

"person" means any person, firm, company, body corporate, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing, and includes the permitted successors, transferees, assigns and assignees of any of the above and any person deriving title under or through any of the above, whether in security or otherwise.

"Portfolio Disposal Plan" bears the meaning given to that term in Clause 28.2 (*Portfolio Disposal Plan*) of the Security Trust and Intercreditor Deed, by which the Relevant Receiver conduct the orderly disposal of Mortgaged Properties in accordance with such plan.

"POS Regulations" means the Public Offers of Securities Regulations 1995 (as amended).

"Post-Division Properties" bears the meaning given to such term in Clause 3.4 (*Division of Mortgaged Properties*) of the Common Terms Agreement.

"Potential Issuer Event of Default" means any event which will become (if there is no remedy of that event within the period provided in the Conditions for its remedy) an Issuer Event of Default.

"Potential Obligor Event of Default" means any event referred to in the definition of "Obligor Event of Default" which will become, with the passage of time, the giving of notice, the making of any determination under the Obligor Transaction Documents or any combination thereof, and assuming for these purposes only no intervening remedy, an Obligor Event of Default.

"Prepay" means Actually Prepay, Collateralise or Buyback (and **"Prepaid"** and **"Prepayment"** shall be construed accordingly).

"Prepayment Amount" bears the meaning given to such term in Clause 11.1 (*General Covenants*) of the Common Terms Agreement.

"Prepayment Headroom Test" bears the meaning given to such term in Clause 12.6 (*Prepayment Headroom Test*) of the Common Terms Agreement.

"Prepayment Headroom ICR" means the Additional Projected ICR calculated in accordance with Clause 7.5 (*P2 Headroom Test*), assuming that a Proposed Additional Transaction consisting only of a drawing of zero pounds of Priority 2 Debt were to be completed on the relevant Calculation Date (unless a drawing of Priority 1 Debt and/or Priority 2 Debt is actually made as of such date, in which case the amount of such drawing(s) shall be used in place of zero).

"Prepayment Headroom LTV" means the Additional LTV calculated pursuant to Clause 7.5 (*P2 Headroom Test*), assuming that a Proposed Additional Transaction consisting only of a drawing of zero pounds of Priority 2 Debt were to be completed on the relevant Calculation Date (unless a drawing of Priority 1 Debt and/or Priority 2 Debt is actually made as of such date, in which case the amount of such drawing(s) shall be used in place of zero).

"Pricing Supplement" means the pricing supplement issued in relation to each Sub-Class of Notes as a supplement to the Conditions and giving details of such Sub-Class.

"Primary Debt Rank" bears the meaning given to such term in Clause 6.1.1 (*Primary Debt Ranks*) of the Common Terms Agreement.

"Principal Amount Outstanding" means at any date:

- (a) in relation to a Note, the principal amount of that Note upon issue less any repayment of principal made to the holder(s) thereof on or prior to that date and plus (in the case of a Partly Paid Note) principal amounts received by the Issuer from the relevant Noteholder or (in the case of an Indexed Note) any accretion to Principal, in each case, after the relevant Issue Date in respect thereof;

- (b) in relation to a Sub-Class or Class, the aggregate principal amount of all Notes in such Sub-Class or Class less any repayment of principal made to the holder(s) thereof on or prior to that date and plus (in the case of a Sub-Class or Class of Partly Paid Notes) principal amounts received by the Issuer from the relevant Noteholder or (in the case of a Sub-Class or Class of Indexed Notes) any accretion to Principal, in each case, after the relevant Issue Date in respect thereof;
- (c) in relation to the Notes generally, the aggregate Principal Amount Outstanding of all Sub-Classes or Classes of Notes in issue (as determined in accordance with paragraph (b) above);
- (d) in relation to an ICL Loan or (subject to (e) and (f) below) an ACF Loan, the principal amount outstanding for the time being of that loan at that date;
- (e) in relation to loan guarantees or indemnities granted by an Obligor to a Non-Restricted Group Entity or other third party, the maximum principal amount guaranteed or indemnified under such loan guarantee or indemnity, as applicable, as at that date; and
- (f) in relation to Performance Bonds, 15% of the fixed, liquidated or maximum principal amount guaranteed or indemnified under such Performance Bond as at that date,

provided that, for the purpose of any Debtholders' Meeting or any meeting of Noteholders, it shall exclude (A) in the case of paragraphs (a), (b) and (c) above, those Notes (if any) which are for the time being held by (1) the Issuer, any Obligor or any Non-Restricted Group Entity, (2) any person for the benefit of the Issuer or any of its subsidiaries or holding companies or any subsidiaries of any of its holding companies or (3) any person who has failed to surrender for repurchase any Class R Note on any Note Payment Date (other than where the Issuer was not obliged to repurchase the same), and (B) in the case of paragraph (d) above, any ACF Loans owed to a Non-Restricted Group Entity or an Opt-out ACF Provider.

"Principal Obligor" means Land Securities PLC or, if Land Securities PLC (or a replacement Principal Obligor) is no longer an Obligor, the Obligor nominated by the then Principal Obligor or its replacement.

"Principal Paying Agent" means Deutsche Bank AG London, acting through its office at Winchester House, 1 Great Winchester Street, London EC2N 2DB, or, if applicable, any Successor principal paying agent in relation to the Notes of any Series at its Specified Office subject to and in accordance with the terms of the Agency Agreement.

"Principal Transfer Agent" means Deutsche Bank AG London in its capacity as principal transfer agent, or such other entity or entities appointed as principal transfer agent from time to time, subject to and in accordance with the terms of the Agency Agreement.

"Priority 1 Debt" means Initial Priority 1 Debt and Further Priority 1 Debt.

"Priority 1 Debt Step-Up Amounts" means any amount of interest payable in respect of any ICL Loans or ACF Loans constituting Priority 1 Debt which represents an increase in margin (in the case of Floating Rate Loans) or an increase in interest rate (in the case of Fixed Rate Loans) (i) from a scheduled date for any reason or (ii) (in the case of an ACF Loan) due to a failure to pay any amount due under such ACF Agreement.

"Priority 1 ICL Loans" means ICL Loans corresponding to Priority 1 Notes.

"Priority 1 Liquidity Facility" means a Liquidity Facility that is capable of being drawn only to pay interest on Priority 1 Debt and amounts (other than amounts in respect of Rental Loans) ranking senior thereto in accordance with the Relevant Security Group Priority of Payments.

"Priority 1 Notes" means Class A Notes and Class R1 Notes.

"Priority 2 Debt" means any Financial Indebtedness of any of the Obligors which is incurred after the Exchange Date in compliance with the Common Terms Agreement and which is attributed the Debt Rank of "Priority 2 Debt" in accordance with Clause 6 (*Ranking of Financial Indebtedness*) of the Common Terms Agreement.

"Priority 2 Debt Step-Up Amounts" means any amount of interest payable in respect of any ICL Loans or ACF Loans constituting Priority 2 Debt which represents an increase in margin (in the case of Floating Rate Loans) or an increase in interest rate (in the case of Fixed Rate Loans) (i) from a scheduled date for any reason or (ii) (in the case of an ACF Loan) due to a failure to pay any amount due under such ACF Agreement.

"Priority 2 Notes" means Class B Notes and Class R2 Notes.

"Proceedings" means any legal proceedings relating to a Dispute.

"Process Service Agent" means any person appointed as an agent for service of process in relation to the Obligor Transaction Documents by a Foreign Party, provided the identity of such person is notified to the Obligor Security Trustee pursuant to Clause 19.13.4 (*Change of Notice Details*) of the Common Terms Agreement, an Obligor Accession Deed or a Creditor Accession Deed.

"Process Service Agent Address" means, in relation to each Foreign Party, the address of the Process Service Agent set opposite the name of each such Foreign Party in the Process Service Agent details set out in Schedule 1 (*Parties*) to the Common Terms Agreement, in an Obligor Accession Deed or in a Creditor Accession Deed.

"Pro Forma Historical ICR" bears the meaning given to such term in Clause 12.4.3 (*Tests on Additional Calculation Date*) of the Common Terms Agreement.

"Programme" means the £4,000,000,000 multicurrency programme for the issuance of Notes established by the Issuer.

"Prohibited Transaction" means any transaction or Dealing (including (i) the introduction of a Nominated Eligible Property into the Estate or an Eligible Obligor into the Security Group, (ii) the removal of a Mortgaged Property from the Estate or an Obligor from the Security Group or (iii) the incurrence or Prepayment of Financial Indebtedness) in respect of which any one of the following is true:

- (a) it would cause a breach (or, if already breached, a further breach) of the Financial Covenant were a Tier Test Calculation Date to occur immediately following the completion of such transaction or Dealing;
- (b) it would cause any Concentration Limit to be exceeded (or, if already exceeded, to be further exceeded); or
- (c) it would cause any covenant given by the Obligors under the Obligor Transaction Documents (other than the covenants referred to in paragraphs (a) and (b) above) to be breached (or, if already breached, to be breached further),

provided that transactions or Dealings which are completed on the same day shall be deemed to constitute a single transaction.

"Projected EBITDA" means, in respect of any Forward-Looking Calculation Period, the sterling projected consolidated or *pro forma* consolidated operating profit of the Security Group (taking into account projected changes in its composition) for that period calculated in accordance with the Applicable Accounting Principles (but including for the avoidance of doubt any projected releases from the Income Replacement Account), but before:

- (a) any Projected Interest Charges;
- (b) any amount projected to be attributable to amortisation of goodwill or other intangible assets or the amortisation or the writing off of acquisition or refinancing costs and any deduction for depreciation of assets; and
- (c) any tax projected to accrue for such Forward-Looking Calculation Period in respect of all amounts and items included in or taken into account in calculating that projected consolidated operating profit and before making any adjustments to projected deferred tax assets or liabilities in that period,

and excluding:

- (i) fair value adjustments or impairment charges (to the extent they involve no payment of cash);
- (ii) items that would be treated as extraordinary or exceptional income or charges under the Applicable Accounting Principles for such Forward-Looking Calculation Period;
- (iii) any amount attributable to the writing up or writing down of any assets of any Obligor after the Exchange Date or, in the case of an Obligor becoming such after the Exchange Date, after the date of its becoming such and, in each case, in respect of such Forward-Looking Calculation Period;
- (iv) any non-cash amount attributed to share-based payments;
- (v) any other non-cash items, including any change in the mark-to-market value of any derivative transaction (but not so as to exclude UITF 28 as it affects any rent-free periods relating to tenancies granted by or to the Obligors, accruals and prepayments relating to rental income and operating expenses and specific bad debt provisions); and
- (vi) any amounts attributable to the projected disposal of any properties or other fixed assets during such Forward-Looking Calculation Period.

"Projected ICR" bears the meaning given to such term in Clause 12.2.1 (*Tests to be conducted*) of the Common Terms Agreement.

"Projected Interest Charges" means, in relation to a Forward-Looking Calculation Period:

- (a) without double-counting, the projected accrued cost of interest on Financial Indebtedness of the Security Group (excluding any non-cash items, front end fees (whether or not amortised) and exceptional and extraordinary items but after taking account of any relevant hedging) for such Forward-Looking Calculation Period calculated on an accruals basis;

less:

- (b) without double-counting, any projected interest receivable by any member of the Security Group from a third party over the relevant Forward-Looking Calculation Period other than interest on the Income Replacement Account but including interest on amounts standing to the credit of the Liquidity Ledger.

"Projection Methodologies Confirmation" bears the meaning given to such term in Clause 12.12 (*Projection and Methodologies*) of the Common Terms Agreement.

"Property Covenants" means the covenants set out in Paragraph 2 (*Property Covenants*) of Schedule 3 (*T1 Covenants*) of the Common Terms Agreement, as the same may be modified and/or supplemented by any relevant T2 Covenant or T3 Covenant.

"Property Disposal Regime" means the regime as specified in the Security Trust and Intercreditor Deed where a Relevant Receiver disposes of Mortgaged Properties in accordance with the Portfolio Disposal Plan.

"Property Manager" means a property manager selected by the Obligors from the Approved Property Manager List.

"Property Owner" means, with respect to any Eligible Property, the Obligor or Obligors that hold the legal and beneficial title to such property.

"Property Release" means, in respect of any Mortgaged Property, a deed, agreement or other document (which will in each case be in a form that shall have been agreed between the Obligor and the Obligor Security Trustee) that, upon the due execution thereof by the Obligor Security Trustee and, in the case of Mortgaged Properties located in a jurisdiction other than England, Wales or Scotland, the completion of such other formalities as may be required in that jurisdiction, will be effective to release or re-convey to the relevant Obligor the entire security interest in respect of such Mortgaged Property held by the Obligor Security Trustee (for itself and on behalf of the other Obligor Secured Creditors) under the Obligor Transaction Documents.

"Proposed Accounting Principles" bears the meaning given to such term in Clause 12.8 (*Changes in Applicable Accounting Principles*) of the Common Terms Agreement.

"Proposed Additional Transaction" bears the meaning given to such term in Clause 12.4.1 (*Selection of Additional Calculation Date*) of the Common Terms Agreement.

"Proposed Completion Date" means, in respect of any Proposed Additional Transaction, the first date upon which the Obligors propose to pay any amount (whether or not for cash), release security or transfer title to any Mortgaged Property or the shares of any Obligor, incur Financial Indebtedness, make any Prepayment, withdraw funds from the Disposal Proceeds Account, Debt Collateralisation Account or any Approved Blocked Account or otherwise complete such Proposed Additional Transaction.

"Proposed Non-UK Obligor" bears the meaning given to that term in Clause 4.2 (*Proposed Non-UK Structural Changes*) of the Common Terms Agreement.

"Proposed Non-UK Obligor Modifications" bears the meaning given to that term in Clause 4.2 (*Proposed Non-UK Structural Changes*) of the Common Terms Agreement.

"Proposed Non-UK Structural Changes" bears the meaning given to that term in Clause 4.2 (*Proposed Non-UK Structural Changes*) of the Common Terms Agreement.

"Proposed Restructuring Modifications" bears the meaning given to such term in Clause 4.1.1(c) (*Obligors may propose amendments*) of the Common Terms Agreement.

"Proposed Structural Changes" bears the meaning given to such term in Clause 4.1.2(a) (*Restructuring Proposal Certificate*) of the Common Terms Agreement.

"Proposer" has the meaning given to it in Clause 36.1 (*Entitlement to convene a Debtholders' Meeting*) of the Security Trust and Intercreditor Deed.

"Prospectus, Offer and Consent Solicitation Document" means the document so entitled issued by Land Securities PLC on 27 September 2004 to certain holders of the Existing Note Debt.

"QIBs" means Qualified Institutional Buyers, as defined under Rule 144A of the United States Securities Act of 1933.

"Qualifying ACF Providers" means ACF Providers who are Qualifying Debtholders.

"Qualifying Debt" means the Notes held, or the ACF Loans provided (and subsequent to the exercise of the P1 ICL Call Option, the ICL Loans provided), by the Qualifying Debtholders, by Principal Amounts Outstanding.

"Qualifying Debtholders" bears the meaning given to such term in Clause 37 (*Qualifying Debtholders*) of the Security Trust and Intercreditor Deed.

"Qualifying Noteholders" means Noteholders who are Qualifying Debtholders in respect of a Debtholders' Meeting.

"Qualifying Self-Insured Mortgaged Properties" means any Mortgaged Property or any stand-alone building on any Mortgaged Property where the Leasing Agreement in respect thereof imposes on the lessee an unqualified obligation, at its own cost, to fully reinstate the premises in question in the event of damage or destruction to the same, and such lessee is (a) a Government Tenant or a lessee who has, or whose obligations under the relevant Leasing Agreement are guaranteed by an entity which has, at all times, an actual or shadow/private corporate rating, of depending upon which of S&P, Fitch and/or Moody's are a Rating Agency at the relevant time, AA or higher from S&P, AA or higher from Fitch or Aa2 or higher from Moody's (or, in each case, the short-term equivalent of such rating if the basis of such ratings changes in the future), or (b) any other lessee provided that at all times the aggregate Market Value of Mortgaged Properties to which this part (b) may apply shall not exceed 5% of the Total Collateral Value.

"Qualifying UK Investors" means holders of Existing Note Debt which is debenture stock and who have certified that they are resident in the United Kingdom.

"R1/R2 Pro Rata Amount" means, on any P1 Breach Certificate Date, the P1 Breach Amount then outstanding multiplied by a fraction, the numerator of which is the principal amount of Revolving R1/R2 ACF Loans which are Priority 1 Debt then outstanding and the denominator of which is the aggregate of all Revolving R1/R2 Loans which are Priority 1 Debt then outstanding.

"R1/R2 Tranche" bears the meaning given to such term in Clause 5.4 (*Revolving R1/R2 ACF Agreements*) of the Common Terms Agreement.

"Ratings Affirmation" means a written statement, from each Rating Agency to the Obligors, of the ratings then assigned by that Rating Agency to each of the Class A Notes and the Class B Notes.

"Rating Affirmed Matters" bears the meaning given to such term in Clause 35 (*Rating Affirmed Matters and Restructuring*) of the Security Trust and Intercreditor Deed.

"Rating Agencies" means, at any time, any two or more internationally recognised rating agencies (which term shall include S&P, Fitch and Moody's) appointed from time to time by the Obligors to rate the Notes (or if, at any time, there is only one internationally recognised rating agency, such rating agency).

"Ratings Event" means, at any time, the occurrence of either of the following events:

- (a) a Ratings Reset Event has not occurred and any of the following occur at that time:
 - (i) if S&P is a Rating Agency at that time, S&P downgrades the ratings of (i) the Class A Notes to A+ or lower or (ii) the Class B Notes to BBB+ or lower;
 - (ii) if Fitch is a Rating Agency at that time, Fitch downgrades the ratings of (i) the Class A Notes to A+ or lower or (ii) the Class B Notes to BBB+ or lower; or
 - (iii) if Moody's is a Rating Agency at that time, Moody's downgrades the ratings of (i) the Class A Notes to A2 or lower or (ii) the Class B Notes to Baa2 or lower;
 - (iv) if any other internationally recognised rating agency is a Rating Agency at that time, such rating agency downgrades the ratings of (i) the Class A Notes to a rating equivalent to A+ or lower or (ii) the Class B Notes to a rating equivalent to BBB+ or lower; or
- (b) a Ratings Reset Event has occurred and any of the entities referred to in paragraph (a), if it is a Rating Agency at that time, downgrades any Sub-Class of Notes by more than one notch below the Reset Rating applicable to such Sub-Class of Notes,

provided that, for the purposes of the foregoing, a designation of "negative outlook" (or equivalent) will not amount to a downgrade.

"Ratings Event Prepayment Provision" means the provision set out in Clause 11.7.1 (*Upon Ratings Event or failure to obtain Ratings Affirmation*) of the Common Terms Agreement.

"Ratings Reset Event" means that the following has occurred:

- (a) following the occurrence of a Ratings Event, the Issuer has elected to exercise its right to redeem the Notes in accordance with Condition 8(d); and
- (b) at a meeting of any Sub-Class of Noteholders duly convened in accordance with Condition 8(d), less than 75% of the Noteholders of such Sub-Class voted in favour of redemption of such Notes.

"Ratings Test" means receipt of a confirmation from each of at least two Rating Agencies (or, if at any time there is only one Rating Agency, that Rating Agency) that, in respect of any event or matter in respect of which such confirmation is required or sought, either:

- (a) no Ratings Event in respect of such Rating Agency has occurred or will occur as a result of the relevant event or matter; or
- (b) that Rating Agency will not downgrade any of the Notes as a result of the relevant event or matter.

"Real Property" means any freehold, heritable or leasehold property or immovable property (or the equivalent thereto), whether legal or equitable, in any jurisdiction.

"Receipt" means a receipt attached on issue to a Definitive Note redeemable in instalments for the payment of principal and includes any replacements for Receipts issued pursuant to Condition 14 (*Replacement of Notes, Coupons, Receipts and Talons*).

"Receiptholders" means the several persons who are for the time being holders of the Receipts.

"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 Obligor Security Trustee under the Obligor Security Documents in respect of the whole or any part of the Obligor Security; or
- (b) by the Note Trustee (as assignee by way of security of the Issuer's rights under the Obligor Transaction Documents) under the Obligor Floating Charge Agreement in respect of the whole or any part of the security granted in favour of the Issuer under the Obligor Floating Charge Agreement; or
- (c) by the Note Trustee under the Issuer Deed of Charge in respect of the whole or any part of the Issuer Security

"Redemption Amount" means (if such amount is provided in the Conditions) the amount payable upon redemption of the Notes in certain circumstances as specified in the relevant Conditions.

"Region" means either:

- (a) London, the South East and Eastern, the Midlands, Wales and the South West, the North, Scotland and Northern Ireland as shown (in each case) on the Regional Plan with any Mortgaged Properties, or proposed Mortgaged Properties, which straddle boundaries between Regions being allocated to a particular Region by the Obligors by reference to the predominant Region in which the Mortgaged Property is located by land area; or
- (b) all areas outside Great Britain.

"Regional Plan" means the plan entitled "Regional Plan" and initialled for identification purposes on the Exchange Date by the Obligor Security Trustee and the Principal Obligor.

"Registered Notes" means those Notes issued in registered form.

"Registers of Scotland" means the Land Register of Scotland and the General Register of Sasines.

"Registrar" means Deutsche Bank Trust Company Americas and Lloyds TSB Bank PLC in their respective capacities as registrar and any other entity appointed as a registrar from time to time, subject to and in accordance with the Agency Agreement.

"regulation" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

"Regulations" means the requirements of the European Communities (Stock Exchange) Regulations, 1984 of Ireland (as amended).

"Regulation S Global Registered Note Certificate" means, in relation to any Series, an unrestricted global note certificate representing the Notes of such Series in the form or substantially in the form set out in Part D (*Form of Regulation S Global Note Certificate*) of Schedule 2 to the Trust Deed and bearing the legends required by DTC but not the Rule 144A Legend.

"Regulation S Individual Note Certificate" means, in relation to any Series, an unrestricted individual note certificate representing a Noteholder's entire initial holding of Notes of such Series in the form or substantially in the form set out in Part C (*Form of Regulation S Individual Note Certificate*) of Schedule 2 to the Trust Deed.

"Reintroduced Property" means a real estate property which was (but is no longer) a Mortgaged Property.

"REITs Event" means the receipt by the Note Trustee of a certificate signed by two Authorised Signatories of the Principal Obligor certifying that:

- (a) a Restructuring Proposal Certificate has been delivered in accordance with the Common Terms Agreement;
- (b) the Principal Obligor has sought to obtain confirmations that the Ratings Test is satisfied in respect of the Proposed Structural Changes and/or Proposed Restructuring Modifications set out in such Restructuring Proposal Certificate; and
- (c) either (i) the Ratings Test has not been satisfied in respect of such Proposed Structural Changes and/or Proposed Restructuring Modifications or (ii) the proposed modifications set out in the Restructuring Proposal Certificate cannot be carried out for any reason (including, without limitation, due to the exercise of Blocking Rights by any of the parties to the Transaction Documents or the failure to pass a resolution in relation to a Basic Terms Modification),

provided that a REITs Event shall only occur in relation to any relevant law passed such as is referred to in the definition of Accepted Restructuring Purpose (where a change in law has occurred) if such certificate is received by the Note Trustee not later than 3 years after the effective date of the enabling legislation and in any case (whether or not there has been any changes in law), within 5 years of the Exchange Date.

"Related Rights", in respect of any asset, means:

- (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
- (d) any moneys and proceeds paid or payable in respect of that asset.

"Released Obligor" means, at any time, an entity that (prior to that time) was an Obligor but in respect of which the Obligor Security Trustee has executed the documents referred to in Clause 2.2.5 (*Effect of Execution*) of the Common Terms Agreement.

"Released Property" means a property which is no longer part of the Estate following the execution of a Property Release in respect of such property by the Obligor Security Trustee in accordance with the Common Terms Agreement.

"Relevant Contingent Liabilities" bears the meaning given to that term in Clause 1.1 (*Interpretation*) of the Tax Deed of Covenant.

"Relevant Date" bears the meaning given to such term in Clause 19.5 (*Reserving for, Actual Prepayment of and Collateralisation of certain Deb and servicing fees*) of the Security Trust and Intercreditor Deed.

"Relevant Member" means a JerseyCo (other than a JerseyCo which is a bare trustee for a company incorporated in England and Wales) or any of the partners of a Partnership.

"relevant Notes" bears the meaning given to such term in Clause 1.2 (*Interpretation*) of the Intercompany Loan Agreement.

"Relevant Receiver" has the meaning given to it in Clause 28.1 (*Commencement*) of the Security Trust and Intercreditor Deed.

"Relevant Security Group Priority of Payments" means, at any time:

- (a) if that time is prior to the Enforcement of the Obligor Security, the Security Group Pre-Enforcement Priority of Payments;
- (b) if that time is after the Enforcement of the Obligor Security but prior to the Acceleration of the Secured Obligations, the Security Group Post-Enforcement (Pre-Acceleration) Priority of Payments; and
- (c) if that time is after both the Enforcement of the Obligor Security and the Acceleration of the Secured Obligations, the Security Group Post-Enforcement (Post-Acceleration) Priority of Payments.

"relevant Sub-Class of Notes" bears the meaning given to such term in Clause 1.2 (*Interpretation*) of the Intercompany Loan Agreement.

"Relevant Swap Mid Curve Rate" has the meaning given to such term in Condition 8(b)(i).

"Relevant VAT Document" means this Agreement and any other Transaction Document into which Clause 18 (VAT) of this Agreement is expressly incorporated.

"Rental Income" means the annual rent, licence fees and other analogous payments contractually receivable from Occupiers in respect of Mortgaged Properties (or any particular Mortgaged Property or any part thereof, as the case may be) pursuant to Leasing Agreements (excluding payments in respect of any service charge and insurance charge and, in cases where the annual rent, licence fee or other analogous payment contractually receivable as aforesaid is inclusive of service charge and insurance charge payments, excluding these elements on the basis of a proper assessment by the Principal Obligor's directors of the payments that would be contractually receivable if service charge and insurance charge payments were separately payable).

"Rental Loans" means loans made by any Non-Restricted Group Entity to Land Securities (Finance) Limited by way of annual rent, licence fees and similar payments, including amounts in respect of service charges and insurance charges, being paid by such Non-Restricted Group Entity's tenants into a Collection Account.

"Reorganisation Documents" means all the agreements and instruments, entered into on or about the Exchange Date or to be entered into on or about the Exchange Date, which effect or relate to the transfer of shares or assets between members of the Land Securities Group.

"Replacement Cash Manager" means, at any time, the company (if any) not being a member of the Land Securities Group which is appointed, for the time being, as cash manager under and in accordance with the Account Bank and Cash Management Agreement.

"Replacement Servicer" means, at any time, the company (if any) not being a member of the Land Securities Group which is appointed for the time being as servicer under and in accordance with the Servicing Agreement.

"Reporting Date" means the day which falls 90 days after the end of each Financial Half-Year or, if such day is not a Business Day, the following Business Day.

"Representation Date" bears the meaning given to such term in Paragraph 3 (*Representations and Warranties made on Exchange Date and each Reporting Date*) of Schedule 2 (*Representations and Warranties*) to the Common Terms Agreement.

"Representative" means in respect of Qualifying Debtholders who are Noteholders, the Note Trustee, and in respect of Qualifying Debtholders who are ACF Providers, such person as designated in the relevant ACF Agreement.

"Required Liquidity Amount" means, at any time, the product of $A \times B \times C$, where:

- (a) **"A"** equals the number of percentage points by which the LTV exceeded 55% as of the most recent Liquidity Relevant Date (provided that **"A"** (1) shall be calculated to zero decimal places with all fractions being rounded down and (2) shall not exceed 15);
- (b) **"B"** equals 1/15; and
- (c) **"C"** equals the aggregate of all interest expenses (after taking account of hedging) that will accrue in respect of Non-Contingent Loans which are Priority 1 Debt during the 18 month period immediately following the most recent Liquidity Relevant Date (assuming for these purposes that (1) no repayments, Actual Prepayments or Buybacks will be made in respect of Priority 1 Debt during that period and (2) in respect of Priority 1 Debt all applicable base or reference rates and margins will remain, throughout that period, as they were on the most recent Liquidity Relevant Date).

"Reserve" bears the meaning given to such term in Clause 19.5 (*Reserving for Actual Prepayment of and Collateralisation of certain Debt and servicing fees*) of the Security Trust and Intercreditor Deed.

"Reserve Date" bears the meaning given to such term in Clause 19.5 (*Reserving for Actual Prepayment of and Collateralisation of certain Deb and servicing fees*) of the Security Trust and Intercreditor Deed.

"Reserved Amount" means the amount to be reserved to be calculated in accordance with Schedule 4 to the Security Trust and Intercreditor Deed in respect of the application of money at the Relevant Item in the relevant Security Group Priority of Payment at the Relevant Date.

"Reset Ratings" means, in respect of any Sub-Class of Notes and any Rating Agency, the ratings assigned by that Rating Agency to such Sub-Class as of the date of the most recent Ratings Reset Event.

"Residential Sector" means the use of a Mortgaged Property primarily for residential purposes within Use Class C3 of the Use Classes Order 1987.

"Restricted Initial Notes" means those Initial Notes which have been issued in registered, restricted form.

"Restricted Payment" means any payment or other disposal of cash or other funds or assets, including (but not restricted to) by way of advance of a loan, payment of a dividend or other return on capital, a distribution, payment of interest, payment of premium, repayment of a loan, payment of fees, the making of a gift or a capital contribution or reduction of capital, in each case to a Non-Restricted Group Entity or a Stakeholder, or purchase of tax relief from a Non-Restricted Group Entity or a Stakeholder.

"Restricted Payment Covenant" means the covenants referred to in Paragraph 5.1(f) (*Other Restricted Payments*) of Schedule 3 (*T1 Covenants*) to the Common Terms Agreement and Paragraph 2 (*Restricted Payments*) of Schedule 6 (*Final T3 Covenants*) to the Common Terms Agreement.

"restrictive", when used in relation to a Covenant Regime, shall be construed as follows:

- (a) the T1 Covenant Regime is the least restrictive Covenant Regime;
- (b) the T2 Covenant Regime is less restrictive than the Initial T3 Covenant Regime but more restrictive than the T1 Covenant Regime;
- (c) the Initial T3 Covenant Regime is less restrictive than the Final T3 Covenant Regime but more restrictive than the T2 Covenant Regime; and
- (d) the Final T3 Covenant Regime is the most restrictive Covenant Regime.

"Restructuring Proposal Certificate" bears the meaning given to such term in Clause 4.1 (*Proposed Structural Changes*) of the Common Terms Agreement.

"Retail Warehouses Sector" means the use of a Mortgaged Property primarily for retail warehouse purposes within Use Class A1 of the Use Classes Order 1987.

"Revolving ICL Loan" means a Revolving R1 ICL Loan or a Revolving R2 ICL Loan.

"Revolving Loan" means any revolving loan outstanding under the Intercompany Loan Agreement or an ACF Agreement.

"Revolving R1/R2 ACF Agreement" bears the meaning given to such term in Clause 5.4 (*Revolving R1/R2 ACF Agreements*) of the Common Terms Agreement.

"Revolving R1/R2 ACF Loans" means a Loan advanced from the R1/R2 Tranche of a Revolving R1/R2 ACF Agreement.

"Revolving R1/R2 Loans" means the Revolving R1/R2 ACF Loans and the Revolving ICL Loans.

"Revolving R1 ICL Loan" means a loan referable to the Class R1 Notes in circulation from time to time (if any) and made by the Issuer under the Intercompany Loan Agreement.

"Revolving R2 ICL Loan" means a loan referable to the Class R2 Notes in circulation from time to time (if any) and made by the Issuer under the Intercompany Loan Agreement.

"RM Security Structure" means the security structure effected by the RM Security Structure Documents in respect of such properties which any Relevant Member proposes to introduce into the Estate.

"RM Security Structure Documents" means, in respect of any Relevant Member and any property which such Relevant Member proposes to introduce into the Estate, the relevant (a) Nominees' legal charge, (b) Relevant Member's equitable charge, (c) Trust Declaration and (d) Beneficiary Undertaking.

"RPC Exceptions" means:

- (a) any Restricted Payment expressly permitted by an Obligor Transaction Document (including, without limitation, repayment by Land Securities (Finance) Limited of Rental Loans or Servicer Loans, payments to a Non-Restricted Group Entity made in accordance with the Obligor Transaction Documents and made to such Non-Restricted Group Entity solely in its capacity as an ACF Provider and payments for the purchase of tax relief where the relevant conditions in the Tax Deed of Covenant are satisfied);
- (b) any Restricted Payment made from the net proceeds arising out of (i) the issue of equity or (ii) any Subordinated Debt or Unsecured Debt provided to one or more Obligors in accordance with the terms of the Common Terms Agreement;
- (c) any Restricted Payment made as a Rating Affirmed Matter; and
- (d) any Restricted Payment constituting the consideration for an Acquisition on arm's-length terms.

"RPI Base Index Figure" means 188.1.

"RPI Indexation" means, in respect of any number, that number multiplied by the RPI Index Ratio.

"RPI Index Figure" means, at any time, the UK Retail Price Index (RPI) (for all items) published by the Office of National Statistics (January 1987 = 100) or any comparable index which may replace the UK Retail Price Index (the relevant publication being the most recent publication prior to such time and the relevant RPI Index Figure being that relating to the month before that of publication).

"RPI Index Ratio" means at any time the RPI Index Figure divided by the RPI Base Index Figure.

"Rule 144A Global Certificate" means, in relation to any Series, a restricted global note certificate representing the Notes of such Series to be issued in the form or substantially in the form set out in Part B (*Form of Rule 144A Global Certificate*) of Schedule 2 to the Trust Deed and bearing the Rule 144A Legend and any legends required by DTC.

"Rule 144A Individual Note Certificate" means, in relation to any Series, a restricted individual note certificate representing a Noteholder's entire holding of Notes of such Series in the form or substantially in the form or substantially in the form set out in Part A (*Form of Rule 144A Individual Note Certificate*) of Schedule 2 to the Trust Deed and bearing the Rule 144A Legend.

"Rule 144A Legend" means the transfer restriction legend relating to the Securities Act set out in the forms of the Rule 144A Global Note Certificate and the Rule 144A Individual Note Certificate.

"Sales Proceeds" means, in relation to the Disposal of a Mortgaged Property or of an Obligor, (a) the gross proceeds of sale thereof (and of any other part of the Charged Property sold in connection with any Mortgaged Property) as and when received by the relevant vendor Obligor(s) less (b) an amount equal to the costs and expenses incurred by the relevant vendor Obligor(s) in connection with the relevant Disposal (including any amount to be paid in respect of any indemnity relating to such costs and expenses) or, where the Disposal is for a non-cash consideration in whole or in part and where a T3 Covenant Regime applies, the amount which the Obligors are obliged to credit to the Disposal Proceeds Account pursuant to Clause 15.3.3 (*T3 Covenant Regime*) of the Common Terms Agreement.

"Satisfaction Date" bears the meaning given to such term in Clause 20.5 (*Exercise of P1 ICL Call Option*) of the Security Trust and Intercreditor Deed.

"Scheduled Calculation Dates" means:

- (a) if the T1 Covenant Regime or the T2 Covenant Regime applies, the last day of each Financial Half-Year (commencing on 31 March 2005); or
- (b) if a T3 Covenant Regime applies, the last day of each Financial Half-Year (commencing on 31 March 2005) and each day falling three months after the last day of each Financial Half-Year.

"Scottish Assets" means all assets of the Obligors situated in, or governed by the laws of, Scotland.

"Scottish Property" means any one or more of the Mortgaged Properties or proposed Mortgaged Properties located in Scotland.

"SD Headroom Test" bears the meaning given to that term in Clause 7.6 (*SD Headroom Test*) of the Common Terms Agreement.

"Secondary Debt Rank" means sub-ranks, established by the Obligors in accordance with Clause 6.3 (*Subordinated Debt Split*) of the Common Terms Agreement, which specify the ranking (in point of security only) of Subordinated ICL Loans and Subordinated ACF Loans *inter se*.

"Sector" means the Office Sector, Shopping Centres and Shops Sector, Retail Warehouses Sector, Industrial Sector, Residential Sector or Other Sector.

"Sector Concentration Limit" bears the meaning given to such term in Paragraph 2.2 (*Sector diversity - negative covenant*) of Schedule 3 (*T1 Covenants*) of the Common Terms Agreement.

"Secured Creditor Instruction" means any instruction given to the Obligor Security Trustee as approved in a duly convened Debtholders' Meeting or if so required by the Obligor Security Trustee, separate Debtholders' Meeting.

"Secured Creditors" means the Issuer Secured Creditors and the Obligor Secured Creditors.

"Secured Financial Indebtedness" means any Financial Indebtedness of a member of the Security Group which is secured under the Obligor Security Documents, provided that the relevant creditor of such Financial Indebtedness is an Obligor Secured Creditor.

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each

Obligor to any Obligor Secured Creditor under each Obligor Transaction Document to which such Obligor is a party.

"Securities Act" means the United States Securities Act of 1933, as amended.

"Securitisation Company" means a company listed in Part 1 (*Securitisation Companies*) of Schedule 1 to the Tax Deed of Covenant.

"Security Group" means all the Obligors.

"Security Group Net Debt Outstanding" means, at any time, a sum equal to the aggregate of each Obligor's Financial Indebtedness then outstanding (without double counting), less the sum of the aggregate amount then standing to the credit of the Debt Collateralisation Account, the Disposal Proceeds Account, any Liquidity Facility Reserve Account (but only to the extent that the standby loan drawn under the relevant Liquidity Facility Agreement and deposited into such Liquidity Facility Reserve Account is treated as Financial Indebtedness for the purposes of this definition) and any Approved Blocked Account and the value of any Eligible Investments then held by any Obligor and made with funds standing to the credit of the Debt Collateralisation Account, the Disposal Proceeds Account, any Liquidity Facility Reserve Account (subject as provided above) or any Approved Blocked Account, provided that, for the purposes of this definition:

- (a) to the extent that any Financial Indebtedness comprises loan guarantees, loan indemnities or similar instruments granted by an Obligor to a Non-Restricted Group Entity or other third party, the maximum principal amount from time to time outstanding under such loan and at that time guaranteed, indemnified or otherwise payable under each such guarantee, indemnity or similar instrument, as applicable, shall be included as the amount of Financial Indebtedness in respect thereof;
- (b) to the extent that any Financial Indebtedness comprises a Performance Bond, 15% of the fixed, liquidated or maximum principal amount payable in respect of such Performance Bond from time to time shall be included as the amount of Financial Indebtedness in respect thereof;
- (c) if any ICL Loan corresponds to a Sub-Class of Notes which are Zero Coupon Notes or Indexed Notes, the Obligors' liability in respect of such Loan will be treated as being equal to the cost of prepaying such Notes at that time (excluding any penalties for early redemption); and
- (d) if any Financial Indebtedness of any Obligor is a guarantee or similar instrument in respect of any item that would be comprised in Security Group Net Debt Outstanding referred to in any of (a) to (c) above, if owed by an Obligor (but is owed by a person other than an Obligor), the liability under such guarantee or other instrument shall be treated as the amount that would be taken into account in determining Security Group Net Debt Outstanding in respect of such item.

"Security Group Post-Enforcement (Pre-Acceleration) Priority of Payments" means the priority of payment set out in Clause 19.4 (*Security Group Post-Enforcement (Pre-Acceleration) Priority of Payments*) of, and Part B of Schedule 3 to, the Security Trust and Intercreditor Deed.

"Security Group Post-Enforcement (Post-Acceleration) Priority of Payments" means the priority of payments set out in Clause 19.6 (*Security Group Post-Enforcement (Post-Acceleration) Priority of Payments*) of, and Part C of Schedule 3 to, the Security Trust and Intercreditor Deed.

"Security Group Pre-Enforcement Priority of Payments" means the priority of payments set out in Clause 19.2 (*Security Group Pre-Enforcement Priority of Payments*) of, and Part A of Schedule 3 to, the Security Trust and Intercreditor Deed.

"Security Group Priority of Payments" means the Security Group Pre-Enforcement Priority of Payments, the Security Group Post-Enforcement (Pre-Acceleration) Priority of Payments or the Security Group Post-Enforcement (Post-Acceleration) Priority of Payments (whichever applies at the relevant time).

"Security Trust and Intercreditor Deed" means the security trust and intercreditor deed to be dated on or about the Exchange Date and entered into between the Obligors, Land Securities Group PLC, the Issuer, the Note Trustee, the Obligor Security Trustee, the Obligor Secured Creditors and others.

"Sequential Prepayment Regime" means the regime, set out in Clause 11.4.2 (*Sequential Prepayment Regime*) of the Common Terms Agreement, that applies to Prepayments of certain Non-Contingent Loans at the times specified in that Clause.

"Series" means, in respect of each Issue Date, the series of Notes to be issued under the Programme on such Issue Date.

"Servicer" means Land Securities Properties Limited in its capacity as servicer to the Security Group or such other entity or entities appointed as servicer from time to time, subject to and in accordance with the terms of the Servicing Agreement.

"Servicer Loan" means loans made to FinCo by any Non-Restricted Group Entity by way of such Non-Restricted Group Entity discharging, on behalf of an Obligor, any liability of that Obligor in respect of operating costs and expenses relating to its Permitted Business(es).

"Services" bears the meaning given to such term in Clause 1 (*Definitions and Interpretation*) of the Servicing Agreement.

"Servicing Agreement" means the servicing agreement dated on or about the Exchange Date between, among others, Land Securities PLC and LSP.

"set-off" includes analogous rights and obligations in other relevant jurisdictions.

"Shares" means the entire share capital now and hereafter held by the relevant entity in each of its subsidiaries.

"Shopping Centres and Shops Sector" means the use of a Mortgaged Property primarily for retail purposes within Use Classes A1 (other than retail warehouses), A2 or A3 of the Use Classes Order 1987.

"Shortfall" means, in respect of the Security Group Pre-Enforcement Priority of Payments, a shortfall in Available Cash as compared to the aggregate amount due and payable on the day in question in respect of each item (other than the last item) in the Security Group Pre-Enforcement Priority of Payments.

"Single Tenant" bears the meaning given to such term in Paragraph 2.4 (*Tenant Concentration Limit*) of Schedule 3 (*T1 Covenants*) to the Common Terms Agreement.

"S&P" means Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc. or its successor by way of name change or merger from time to time.

"Specific Tax Reserve Account" means the account designated as the "Specific Tax Reserve Account", held in the name of FinCo and maintained by the Account Bank pursuant to the Account Bank and Cash Management Agreement, or any other such account so designated in the name of FinCo as may be opened, with the consent of the Obligor Security Trustee, at any branch of the Account Bank or at an Eligible Bank in replacement of such account.

"Specified Arrangement" bears the meaning given to such term in the Tax Deed of Covenant.

"Specified Office" means, in relation to any Agent in respect of any Series, either the office identified with its name in the Conditions of such Series or any other office notified to any relevant parties pursuant to the Agency Agreement.

"Specified Party" means any of the Arranger, the Dealers, the Note Trustee, the Paying Agents, the Transfer Agents, the Registrar, the Agent Bank, the Swap Counterparties, the Account Bank, any Liquidity Facility Provider, any Class R Underwriters, any Class R Agent and the Obligor Security Trustee;

"Stakeholder" means (i) a holder (other than an Obligor) of shares or other ownership interests (including a partnership interest) in any Obligor or any partnership in which an Obligor is a partner and (ii) any provider of services (including, but not limited to, cash management services) to the Security Group which is a Non-Restricted Group Entity.

"Stakeholder Accession Deed" means a deed in the form of Part A of Schedule 7 to the Security Trust and Intercreditor Deed.

"Stakeholder Claims" means any monetary claims any Stakeholder may have from time to time against any Obligor.

"Stakeholder Release Deed" means a Deed in the Form of Part B of Schedule 7 to the Security Trust and Intercreditor Deed.

"Standard Securities" means the Initial Standard Securities and the Supplemental Standard Securities.

"Step-Up Amounts" means any (a) Priority 1 Debt Step-Up Amount, (b) Priority 2 Debt Step-Up Amount, or (c) Subordinated Debt Step-Up Amount.

"sterling" means the lawful currency of the United Kingdom as at the Exchange Date.

"STID Floating Security" means the floating charges granted by the Obligors in favour of the Obligor Security Trustee pursuant to Clause 5.6 (*STID Floating Security*) of the Security Trust and Intercreditor Deed.

"STID Proposal" means a proposal, made in accordance with Clause 31.1 (*Instigation of a STID Proposal*) of the Security Trust and Intercreditor Deed, by the Principal Obligor to the Obligor Security Trustee in relation to modifications, waivers and/or consents sought to be made under the Security Trust and Intercreditor Deed.

"Sub-Class" means:

- (a) in respect of Notes, Notes of a particular Class which are identical with each other (save, in the case of fungible Notes, as to Issue Date, Interest Commencement Date and Issue Price);
- (b) in respect of Noteholders, Noteholders holding a particular Sub-Class of Notes;

- (c) in respect of ACF Providers (i) where one or more ACF Providers (under a single ACF Agreement) are making one or more ACF Loans ranking in a single point of security, such ACF Provider (or ACF Providers) party to such ACF Agreement, and (ii) where one or more ACF Providers (under a single ACF Agreement) are making one or more ACF Loans ranking in multiple points of security, such ACF Provider (or ACF Providers) party to such ACF Agreement who are making ACF Loans ranking at a single point of security;
- (d) in respect of Debtholders, a Sub-Class of Noteholders or a Sub-Class of ACF Providers; and
- (e) in respect of Qualifying Debtholders, a Class of Noteholders who are Qualifying Debtholders or a Sub-Class of ACF Providers who are Qualifying Debtholders.

"SubCo" means LS Nominees Holdings Limited.

"Subordinated ACF Loans" means ACF Loans having the Primary Debt Rank of Subordinated Debt.

"Subordinated ACF Provider" means each ACF Provider which is a provider of Permitted Financial Indebtedness ranking in point of security after Priority 2 Debt.

"Subordinated Debt" means any Permitted Financial Indebtedness incurred after the Exchange Date which is attributed the Primary Debt Rank of "Subordinated Debt" in accordance with Clause 6 (*Ranking of Financial Indebtedness*) of the Common Terms Agreement.

"Subordinated Debt Split" bears the meaning given to such term in Clause 6.3.1 (*Subordinated Debt*) of the Common Terms Agreement.

"Subordinated Debt Step-Up Amounts" means any amount of interest payable in respect of any ICL Loans or ACF Loans constituting Subordinated Debt which represents an increase of margin (in the case of Floating Rate Loans) or an increase in interest rate (in the case of Fixed Rate Loans) (i) from a specific date for any reason or (ii) (in the case of an ACF Loan) due to a failure to pay any amount due under such ACF Agreement.

"Subordinated Debt Subordinated Amounts" means, in relation to any Subordinated Debt:

- (a) (in relation to ACF Loans) any increased costs payable under any ACF Agreement save to the extent that such increased costs represent the cost of regulatory capital attributable to the ACF Loans; and
- (b) any Subordinated Debt Step-Up Amount.

"Subordinated ICL Loan" means an ICL Loan having the Primary Debt Rank of Subordinated Debt.

"Subordinated Notes" means any Class of Notes designated as such pursuant to a Pricing Supplement (with the ranking in point of security among Classes of Subordinated Notes being determined in accordance with the Security Trust and Intercreditor Deed and specified in the relevant Pricing Supplement on the basis of the agreement reached in accordance with Clause 6 (*Ranking of Financial Indebtedness*) of the Common Terms Agreement.

"Subscription Agreement" means an agreement supplemental to the Dealership Agreement substantially in the form set out in Schedule 7 (*Pro forma Subscription Agreement*) to the

Dealership Agreement or in such other form as may be agreed between, among others, the Issuer and the relevant Dealer(s).

"Subsidiary" bears the meaning given to that term by section 736 of the Companies Act 1985.

"Successor" means in relation to the Paying Agents, such other or further person as may from time to time be appointed pursuant to the Agency Agreement as a Paying Agent.

"Supplemental Standard Securities" means each first ranking standard security in terms of the Conveyancing and Feudal Reform (Scotland) Act 1970 granted over a Scottish Property substantially in the form set out in Schedule 6 (*Form of Standard Security*) to the Security Trust and Intercreditor Deed, to be entered into after the Exchange Date.

"Surrender" means the surrender of any Leasing Agreement or other voluntary disposal or relinquishment of the right to receive Rental Income (or analogous payments) from any Occupier (and "surrendered" shall be construed accordingly).

"Surrender Amount" means, in respect of any Surrender, the aggregate net present value of each lease payment foregone as a result of such Surrender, which shall be calculated in respect of each such payment by applying a reinvestment rate certified in writing by two *Authorised Signatories to the Obligor Security Trustee as being available in respect of amounts credited to the Income Replacement Account (which may be a special rate agreed with the Account Bank in respect of the particular Surrender Amount).*

"Surrender Threshold" means, as at any date, 2% of the Passing Rent projected to be receivable from the Estate (as determined by the Obligors as of the most recent Tier Test Calculation Date over the period of 12 months commencing on such Calculation Date.

"Swap Agreement" means an agreement between an Obligor and a Swap Counterparty for the purpose of effecting one or more Swap Transactions.

"Swap Collateral Account" means, in relation to a Swap Agreement, an account designated as a "Swap Collateral Account", held in the name of the Obligor which is party to the Swap Agreement and maintained with the Account Bank pursuant to the terms of the Account Bank and Cash Management Agreement, or such other account as may be opened with the consent of the Obligor Security Trustee, at any branch of the Account Bank or at an Eligible Bank to replace such designated account(s).

"Swap Counterparties" means the Initial Swap Counterparties and any other swap counterparty with which any Obligor enters into any Swap Agreement, and **"Swap Counterparty"** means any one of them.

"Swap Counterparty Downgrade" means the short term or long term unsecured, unsubordinated and unguaranteed debt obligations of a Swap Counterparty being rated below the Swap Counterparty Minimum Short Term Ratings and the Swap Counterparty Minimum Long Term Ratings, respectively (and, in the case of a downgrade by S&P or Fitch, as a result of such downgrade the then current rating of any Sub-Class of Notes is downgraded or placed under review for possible downgrade by S&P or Fitch, as applicable).

"Swap Counterparty Minimum Long Term Ratings" means:

- (a) for any Swap Counterparty where the Swap Transaction is an interest rate swap or similar, that the long term unsecured, unsubordinated and unguaranteed debt obligations of such Swap Counterparty are rated at least BBB- by S&P, A1 by Moody's and A by Fitch

(whichever of them as are Rating Agencies at the relevant time), or such other rating as may be agreed with the relevant Rating Agency from time to time;

- (b) for any Swap Counterparty where the Swap Transaction is a currency swap or similar, that the long term unsecured, unsubordinated and unguaranteed debt obligations of such Swap Counterparty are rated at least BBB- by S&P, A1 by Moody's and A+ by Fitch (whichever of them as are Rating Agencies at the relevant time), or such other rating as may be agreed with the relevant Rating Agency from time to time; or
- (c) for any Swap Counterparty where the Swap Transaction is not an interest rate swap, a currency swap or similar, that the long term unsecured, unsubordinated and unguaranteed debt obligations of such Swap Counterparty have such rating as may be agreed with the relevant Rating Agency from time to time.

"Swap Counterparty Minimum Short Term Ratings" means:

- (a) for any Swap Counterparty where the Swap Transaction is an interest rate swap or similar, that the short term unsecured, unsubordinated and unguaranteed debt obligations of such Swap Counterparty are rated at least A-1 by S&P, P-1 by Moody's and F1 by Fitch (or such of them as are Rating Agencies at the relevant time), or such other rating as may be agreed with the relevant Rating Agency from time to time;
- (b) for any Swap Counterparty where the Swap Transaction is a currency swap or similar, that the short term unsecured, unsubordinated and unguaranteed debt obligations of such Swap Counterparty are rated at least A-1+ by S&P, P-1 by Moody's and F1 by Fitch (or such of them as are Rating Agencies at the relevant time), or such other rating as may be agreed with the relevant Rating Agency from time to time; or
- (c) for any Swap Counterparty where the Swap Transaction is not an interest rate swap, a currency swap or similar, that the short term unsecured, unsubordinated and unguaranteed debt obligations of such Swap Counterparty have such rating as may be agreed with the relevant Rating Agency from time to time.

"Swap Excluded Amount Account" means, in relation to a Swap Agreement, an account designated as a "Swap Excluded Amount Account", held in the name of the Obligor which is party to such Swap Agreement and maintained with the Account Bank pursuant to the terms of the Account Bank and Cash Management Agreement, or such other account as may be opened with the consent of the Obligor Security Trustee, at any branch of the Account Bank or at an Eligible Bank to replace such designated account(s).

"Swap Excluded Amounts" means:

- (a) amounts standing to the credit of any Swap Collateral Account;
- (b) an amount equal to any tax credit received by an Obligor in respect of any additional payment made by a Swap Counterparty in accordance with the terms of the applicable Swap Agreement as a result of the imposition of tax upon the payment due from such Swap Counterparty; and
- (c) any premium received by an Obligor from a replacement swap counterparty providing a replacement Swap Transaction.

"Swap Excluded Obligation" means, in accordance with the terms of any Swap Agreement, any obligation of the Obligor party thereto to the applicable Swap Counterparty to: (i) return collateral equivalent to that provided by such Swap Counterparty; or (ii) pay an amount equal to

any tax credit received by such Obligor in respect of any additional payment made by the Swap Counterparty as a result of the imposition of tax upon the payment due from such Swap Counterparty.

"Swap Subordinated Amounts" means any amount due from any Obligor to a Swap Counterparty on termination of a Swap Agreement due to the occurrence of (i) an event of default where the relevant Swap Counterparty is the defaulting party or (ii) any termination event due to a Swap Counterparty Downgrade.

"Swap Termination Amounts" means any amount due from any Obligor to a Swap Counterparty on termination of a Swap Agreement, but excluding any amount which constitutes a Swap Subordinated Amount.

"Swap Transaction" means any currency or interest rate purchase, cap or collar agreement, forward rate agreement, interest rate agreement, interest rate or currency or future or option contract, foreign exchange or currency purchase or sale agreement, interest rate swap, currency swap or combined similar agreement or any derivative transaction protecting against fluctuations in any interest rate or currency price or inflation.

"T1 Covenant Regime" means the covenant regime that will apply under the Common Terms Agreement if none of the T1 Thresholds are breached at the relevant time.

"T1 Covenants" means the covenants described in Schedule 3 (*T1 Covenants*) to the Common Terms Agreement.

"T1 Threshold" means, in the case of:

- (a) LTV and Additional LTV, 55% (or 50% if the relevant Calculation Date falls within a Change of Control Period); and
- (b) Historical ICR, Pro Forma Historical ICR, Projected ICR and Additional Projected ICR, 1.85:1.

"T2 Covenant Regime" means the covenant regime that will apply under the Common Terms Agreement if any of the T1 Thresholds, but none of the T2 Thresholds, are breached at the relevant time.

"T2 Covenants" means the covenants described in Schedule 4 (*T2 Covenants*) to the Common Terms Agreement.

"T2 Threshold" means, in the case of:

- (a) LTV and Additional LTV, 65% (or 60% if the relevant Calculation Date falls within a Change of Control Period and, earlier in that Change of Control Period, the LTV was less than 60%); and
- (b) Historical ICR, Pro Forma Historical ICR, Projected ICR and Additional Projected ICR, 1.45:1.

"T3 Covenant Regime" means either the Initial T3 Covenant Regime or the Final T3 Covenant Regime.

"T3 Covenants" means the Initial T3 Covenants and the Final T3 Covenants.

"T3 Prepayment Provision" bears the meaning given to such term in Clause 11.7.3 (*While a T3 Covenant Regime applies*) of the Common Terms Agreement.

"**Talons**" has the meaning given to that term in Condition 1(b).

"**TARGET System**" means the Trans-European Automated Real Time Gross Settlement Express Transfer System.

"**Tax**" means any present or future tax, levy, impost, duty or other charge or withholding of any nature whatsoever (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) imposed, collected or assessed by, or payable to a Tax Authority other than any non-domestic rates (as imposed by the Local Government Finance Act 1992) and "**Taxes**", "**taxation**", "**taxable**" and comparable expressions shall be construed accordingly.

"**Tax Authority**" means any government, state, municipal, local, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function with respect to Tax (including the United Kingdom Inland Revenue and H.M. Customs & Excise and any successor thereto).

"**Tax Deed Accession Deed**" means a deed substantially in the form of Schedule 7 (*Tax Deed Accession Deed*) of the Common Terms Agreement.

"**Tax Deed of Covenant**" means the deed of covenant to be dated on or about the Exchange Date and entered into between, *inter alios*, the Issuer, the Obligors, Land Securities Group PLC, the Cash Manager, the Note Trustee and the Obligor Security Trustee.

"**Tax Reserve Accounts**" means the General Tax Reserve Account and the Specific Tax Reserve Account.

"**TEFRA C Rules**" means United States Treasury Regulation § 1.163 - 5 (c) (2) (i) (C).

"**TEFRA D Rules**" means United States Treasury Regulation § 1.163 - 5 (c) (2) (i) (D).

"**Temporary Global Note**" means, in relation to any Series, a temporary global note in the form or substantially in the form set out in Part A (*Form of Temporary Global Note*) of Schedule 3 to the Trust Deed.

"**Tenant Concentration Limit**" bears the meaning given to such term in Paragraph 2.4 (*Tenant Concentration Limit*) of Schedule 3 (*T1 Covenants*) to the Common Terms Agreement.

"**Term ICL Loans**" means the Initial ICL Loans and any other ICL Loan which is not a Revolving ICL Loan.

"**Tier Determination Date**" means, in respect of the Tier Tests, the date upon which such tests are conducted (being no later than the latest date on or by which the Calculation Certificate in respect of such tests is required to be delivered); provided that the Exchange Date shall not be a *Tier Determination Date*.

"**Tier Test Calculation Dates**" bears the meaning given to such term in Clause 12.1.1 (*Obligor shall conduct tests*) of the Common Terms Agreement.

"**Tier Tests**" means the calculation of the LTV, the Projected ICR and (if the Obligors have elected or are required to calculate it as of the relevant date) the Historical ICR.

"**Tier Threshold**" means the T1 Threshold, the T2 Threshold or the Initial T3 Threshold.

"Title Overview Reports" means the overview reports on the Certificates of Title dated 2 November 2004 prepared by the Obligors' Solicitors summarising the material issues identified in the Certificates of Title.

"Total Collateral Value" means, at any time, the aggregate of the value of all Further Credit Assets (as determined in accordance with such criteria as have been agreed with the Rating Agencies as of that time) and the market value of the Estate as shown in the most recent Valuation Report on the Estate, in the latter case, as adjusted to take account of:

- (a) in respect of any Mortgaged Property (other than a Trading Property) valued in connection with the most recent Valuation Report on the Estate which has been Disposed of by an Obligor after the date thereof, by deducting the Market Value of such Mortgaged Property;
- (b) in respect of any Mortgaged Property (other than a Trading Property) added to, and remaining in, the Estate since the most recent Valuation Report on the Estate, by adding the Market Value of such Mortgaged Property;
- (c) in respect of any Mortgaged Property (the legal and beneficial title of which is owned by an Obligor which has ceased to be under Common Control), by deducting the Market Value attributable to each of such Mortgaged Properties valued in connection with the most recent Valuation Report on the Estate;
- (d) in relation to any Development Projects, by adding an amount equal to all costs of development spent by the Obligors in respect of such Development Projects since the date of the most recent Valuation Reports for such Development Projects (as determined by the Obligors using the most recent information available to them, which information shall in any case be no older than the information set out in the most recently available month-end management accounts of the Security Group), provided that the Development Test is satisfied as of the most recent Tier Test Calculation Date;
- (e) in relation to any Mortgaged Property which is a Trading Property, by adding the Market Value of such Trading Property; and
- (f) in relation to any Mortgaged Property in respect of which the Obligors have actual knowledge that the Agreed Form of Security does not exist in favour of the Obligor Security Trustee or any Forfeiture Risk Property, by deducting the Market Value of such Mortgaged Property,

provided that, for the purposes of paragraph (d) above, if the Development Test is not satisfied as of the most recent Tier Test Calculation Date, the Market Values of certain of the relevant Development Projects (being those selected by the Obligors on the basis that the Development Test must be met in relation to the remaining Development Projects) shall be reduced to the relevant site value, which, in such circumstances, shall be requested by the Obligors of the Valuers as an update to the latest Valuation Report(s) for such Development Projects **and provided further that**, for the purposes of the Calculation Tests and the Development Test only:

- (i) Total Collateral Value shall be adjusted by deducting from it the aggregate of the Deduction Amounts for each Relevant Obligor;
- (ii) **"Relevant Obligor"** means an Obligor identified as such by the Principal Obligor which:
 - (1) is not a holding company or an intermediate holding company;

- (2) on the basis of its Latest Accounts, has unsecured creditors in excess of £2,000 (subject to Indexation); and
- (3) owns Additional Assets,

provided that any Obligor which was a Relevant Obligor according to its Latest Accounts but has ceased to be an Obligor before the relevant Calculation Date shall be disregarded.

"Trading Property" means a Mortgaged Property or Nominated Eligible Property which has been designated as such by the Principal Obligor pursuant to a notice in writing to the Obligor Security Trustee.

"transaction" includes Acquisitions, Disposals, Dealings and the incurring of Financial Indebtedness.

"Transaction Document" means an Issuer Transaction Document or an Obligor Transaction Document.

"Transaction LTV" bears the meaning given to such term in Clause 12.5 (*Transaction LTV Test*) of the Common Terms Agreement.

"Transaction LTV Calculation Date" bears the meaning given to such term in Clause 12.5 (*Transaction LTV Test*) of the Common Terms Agreement.

"Transaction LTV Test" bears the meaning given to such term in Clause 12.5 (*Transaction LTV Test*) of the Common Terms Agreement.

"Transaction Tax" bears the meaning given to that term in the Tax Deed of Covenant.

"Transfer Agents" means the Principal Transfer Agent and any other transfer agent appointed from time to time, subject to and in accordance with the Agency Agreement.

"Trust Declaration" means a deed whereby two Trustees of Land which are Obligors declare a trust in respect of a Mortgaged Property in favour of another Obligor.

"Trust Deed" means the trust deed dated on or about the Exchange Date and entered into between the Issuer and the Note Trustee.

"Trust Property" means, in respect of any Nominee, those Mortgaged Properties held by such Nominee as a Trustee of Land for a Relevant Member pursuant to the RM Security Structure Documents.

"Trustee" means any of the Obligor Security Trustee and the Note Trustee.

"Trustee of Land" means a person appointed, jointly with one or more other persons, as a trustee of land (as that phrase is interpreted under the Trusts of Land and Appointment of Trustees Act 1996).

"Trustee Acts" means the Trustee Act 1925 and the Trustee Act 2000 of England and Wales.

"Type" means, in respect of Qualifying Debtholders, either the Qualifying Noteholders or the Qualifying ACF Providers.

"UD Headroom Test" bears the meaning given to such term in Clause 7.7 (*UD Headroom Test*) of the Common Terms Agreement.

"Undivided Property" bears the meaning given to such term in Clause 3.4 (*Division of Mortgaged Properties*) of the Common Terms Agreement.

"Unrestricted Liquidity Facility Agreements" bears the meaning given to such term in Clause 8.8 (*Unrestricted Liquidity Facility Agreements*) of the Common Terms Agreement.

"Unsecured Debt" means Financial Indebtedness incurred by any Obligor that is not Secured Financial Indebtedness.

"Unsecured Debt Limit" means, on any date, the higher of (a) £150,000,000 and (b) 2% of the Total Collateral Value as at that date.

"Valuation Reports" means, in respect of a Mortgaged Property, the most recent report by the Valuers on the Market Value of such Mortgaged Property, as contained in either (a) the Valuation Report on the Estate, or (b) the Intermediate Valuation Report relating to that Mortgaged Property (if any), whichever is the more recent, and, in respect of a Nominated Eligible Property, the most recent report by the Valuers on the Market Value of such Nominated Eligible Property in the valuation report by the Valuers in relation to such Nominated Eligible Property dated not more than 12 months before the Mortgage Date in respect of such Mortgaged Property which shall in all cases specify the applicable Sector(s) and Region for such Mortgaged Property.

"Valuation Report on the Estate" means the Initial Valuation Report and each subsequent valuation report issued by the Valuers with respect to the Estate as at the date thereof provided that, in each case, it shall have been duly delivered to the Obligor Security Trustee in accordance with the Common Terms Agreement.

"Valuers" means Knight Frank LLP, Jones Lang LaSalle, CB Richard Ellis, DTZ, Cushman & Wakefield Healey & Baker, King Sturge, Weatherall Green & Smith and FPD Savills, in each case including successors to such firms or any firm arising as a result of a merger entered into by one or more of these firms or such other valuer instructed by the Obligors as may have been approved by the Obligor Security Trustee and **"Valuer"** means any one of the foregoing.

"VAT" means:

- (a) any 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 VATA and legislation and regulations supplemental thereto); and
- (b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or elsewhere.

"VATA" means the Value Added Tax Act 1994.

"VAT Group" means a group for the purposes of the sections 43 to 43D of the VATA and the Value Added Tax (Groups: eligibility) Order 2004 (SI 2004/1931).

"Voting Date" bears the meaning given to such term in Clause 36.4 (*Voting Date*) of the Security Trust and Intercreditor Deed.

"Voting Instruction" bears the meaning given to such term in Clause 36.3 (*Debtholders' Meeting Notice*) of the Security Trust and Intercreditor Deed.

"Zero Coupon Notes" means Notes (other than Class R Notes) designated as such in the relevant Pricing Supplement which do not bear interest.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 05118836

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SECURITY TRUST AND INTERCREDITOR DEED DATED THE 3rd NOVEMBER 2004 AND CREATED BY LS GREATER LONDON HOUSE LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM EACH OBLIGOR TO ANY OBLIGOR SECURED CREDITOR 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 16th NOVEMBER 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 18th NOVEMBER 2004.

Angelo



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —