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

* insert full name
of Company

COMPANIES FORM No. 395

093199/13

Particulars of a mortgage or charge

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985



395

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

For official use

Company number

3

05301620

Name of company

* The Place Sandwich VCT Limited (the "Company")

Date of creation of the charge

26 June 2006

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

Debenture (the "Debenture") made between the Company and Healthcare and Leisure Property Fund PLC (the "Chargee").

Amount secured by the mortgage or charge

All moneys and liabilities (whether actual or contingent) which are at the date of the Debenture or may at any time thereafter be due, owing or payable, or expressed to be due, owing or payable, to the Stockholders (as defined below), in each case from or by the Company under the terms of any Finance Document (as defined below) (the "Secured Obligations").

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

Healthcare and Leisure Property Fund PLC, St James' Chambers, Athol Street, Douglas, Isle of Man

Postcode IM1 1JE

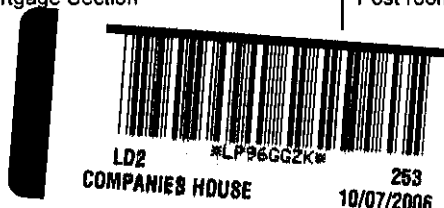
Presenter's name address and
reference (if any):
Berwin Leighton Paisner LLP
Adelaide House
London Bridge
London EC4R 9HA
TBOY/21526.89/5264836

Time critical reference

For official Use (02/00)

Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

Pursuant to Clause 2.1 of the Debenture the Company has charged with full title guarantee to the Chargee as security for the payment and discharge of all the Secured Obligations:

FIRST - The property vested in it and described in Schedule 1 to the Debenture (repeated below) together with all buildings and fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and therein;

SECOND - All other freehold and leasehold property vested in it both present and future together with all buildings and fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and therein;

THIRD - All plant, machinery, vehicles and other equipment at the date of the Debenture or thereafter owned by the Company together with the benefit of any obligations and warranties given by the manufacturer or supplier of such plant, machinery or other equipment and the benefit of all maintenance agreements entered into between the Company and any other person in respect of such plant, machinery and other equipment;

Continued at Addendum 4/4

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Pro
+
Cr/10 body
20/10
+
95

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Bexim Lighter Partners LLP

Date

10/7/06

On behalf of chargee†

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

Notes

† delete as appropriate

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

Name of company

* insert full name
of company

* The Place Sandwich VCT Limited

Addendum 4/4

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

FOURTH - All Investments (as defined below) at the date of the Debenture or thereafter beneficially owned by the Company, and all dividends, interest and other distributions paid or payable in respect thereof;

FIFTH - All Negotiable Instruments (as defined below) of the Company;

SIXTH - The benefit of all present and future licences (statutory or otherwise) held in connection with the business of the Company or the user of any property the subject of the security created by or pursuant to the Debenture and the right to recover and receive all compensation which may at any time become payable to the Company in respect thereof;

SEVENTH - All licences and patents (including applications and the rights to apply therefore), copyrights, rights in trademarks whether registered or not, trade names, rights in service marks whether registered or not, registered designs, know-how and rights in confidential information at the date of the Debenture or at any time belonging to the Company;

EIGHTH - The goodwill and the uncalled capital of the Company both present and future;

NINTH - The debts due or owing to the Company both present and future (whether or not the sum is such as would in the ordinary course of business be entered in the books relating to such business);

TENTH - All benefits in respect of all contracts and policies of insurance (including, for the avoidance of any doubt, all cover notes) which are from time to time taken out by or (to the extent of such interest) in which the Company has an interest including, without limitation, keyman policies (if any) in respect of the lives of directors, officers or employees of the Company;

ELEVENTH - The stock-in-trade and work-in-progress, prepayments, investments quoted on a recognised stock exchange and cash of the Company both present and future; and

TWELFTH - The undertaking and all other property and assets of the Company both present and future,

all and any of the property and assets FIRST through TWELFTH described above being the "Charged Property".

Pursuant to Clause 2.2 of the Debenture, the charges on the property and assets FIRST, SECOND, THIRD, FOURTH, FIFTH, SIXTH, SEVENTH, EIGHTH, NINTH and TENTH described are created as fixed charges and constitute charges by way of legal mortgage on the property FIRST, SECOND and FOURTH described which is now vested in the Company.

The charges on the property and assets ELEVENTH and TWELFTH described are created as floating charges unless and until the provisions of Clauses 4.2 and/or 4.3 of the Debenture become operative when the floating charges shall crystallise and become fixed charges.

Pursuant to Clause 2.4 of the Debenture the Company has undertaken with the Chargee that at no time during the subsistence of the security constituted by or pursuant to the Debenture will the Company:

- 1 otherwise than:
 - (a) in the Chargee's favour;
 - (b) with the Chargee's prior written consent; or
 - (c) as regulated by the Deed of Priority (as defined below),

create, grant, extend or permit to subsist any mortgage, charge or other fixed security or any floating charge or any pledge, hypothecation or lien (other than a lien arising by operation of law securing a debt outstanding for no more than 21 days) or other security interest of any kind on or over the Charged Property or any part thereof or dispose of the equity

Company number

05301620

Name of company

* insert full name
of company

* The Place Sandwich VCT Limited

Addendum 3/4

3. Names, addresses and description of the mortgagees or persons entitled to the charge (continued)

Company number

05301620

Name of company

* insert full name
of company

* The Place Sandwich VCT Limited

Addendum 1/4

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

Addendum 2/4

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

Name of company

* insert full name
of company

* The Place Sandwich VCT Limited

of redemption in any such property interest. The foregoing prohibition shall apply not only to mortgages, other fixed securities and floating charges which rank or purport to rank in point of security in priority to the security constituted by the Debenture but also to any mortgages, securities or charges which rank or purport to rank pari passu therewith or thereafter;

2 otherwise than with the prior written consent of the Chargee (and save for disposals permitted in the Subscription Agreement (as defined below) and except for sales of stock-in-trade in the ordinary course of business):

- (a) part with, sell or transfer or otherwise dispose of or agree to dispose of all or any part of the Charged Property; or
- (b) allow any person any licence or other right to use or share possession of all or any part of the Charged Property.

For the purposes of this form, the following definitions apply:

"Deed of Priority" means the deed of priority entered into on 19 January 2005 between, amongst others, the Company and the Chargee;

"Finance Documents" means the Loan Stock Deed (as defined below), the Debenture and the Deed of Priority;

"Investments" means shares, stocks, warrants, options and all rights or other property of a capital nature which accrue or are offered issued or paid at any time in respect of such shares, stock, warrants and options;

"Loan Stock Deed" means the loan stock deed entered into on the date of the Debenture constituting the Stock (as defined below) of the Company;

"Negotiable Instruments" means all bills of exchange, promissory notes and other negotiable instruments of any description beneficially owned at the date of the Debenture or thereafter by the Company;

"Register" means the register of the holders of the Stock kept in accordance with clause 3.2 of the Loan Stock Deed by the Company at the Company's registered office;

"Stock" means the £133,890 Secured Loan Stock 2006 to 2011 constituted under the Loan Stock Deed or as the case may require the amount thereof for the time being issued and outstanding or a specified portion thereof;

"Stockholders" means the Chargee and/or the person or the several persons for the time being entered in the Register as the holder or holders of the Stock and "Stockholder" means any one of them; and

"Subscription Agreement" means the agreement dated 19 January 2005 and made between, amongst others, (1) the Company, (2) Close Brothers Venture Capital Trust PLC, (3) Close Brothers Protected VCT PLC, (4) the Chargee and (5) Close Venture Management relating to the Company.

SCHEDULE 1

The Property

The freehold property known as The Bell Hotel, Upper Strand Street, Sandwich, CT13 9EF and registered under title numbers K842942 and K639387.

our ref TBOY/21526.89
your ref
ddi 0207 760 4337
e-mail theresa.boyce@blplaw.com

Mortgage Department
Companies House
21 Bloomsbury Street
London
WC1B 3XD

10 July 2006

Dear Sirs

The Place Sandwich VCT Limited (Company No. 05301620)
Registration of security documentation

We enclose and submit for registration an original Debenture dated 26 June 2006 (the "Debenture") given by The Place Sandwich VCT Limited in favour of Healthcare and Leisure Property Fund PLC together with Form M395 giving prescribed particulars of the Debenture.

We also enclose a cheque for £13 made payable to Companies House in respect of the filing fee.

Please acknowledge safe receipt of the documents referred to above by stamping and returning the enclosed copy of this letter in the envelope provided.

Finally we look forward to receiving the certificate of registration in respect of the Debenture in due course. Please do not hesitate to contact Theresa Boyce at this firm if you have any queries in relation to the registration.

Yours faithfully

Berwin Leighton Paisner LLP

Berwin Leighton Paisner LLP

mkh\5265034.1



Berwin Leighton Paisner LLP
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tel +32 2 741 86 30 fax +32 2 741 86 47
in alliance with* Kramer Levin Naftalis & Frankel LLP

LONDON BRUSSELS NEW YORK* PARIS*

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CHAMBERS
1999-2000 2000-2001 2001-2002

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 05301620

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 26th JUNE 2006 AND CREATED BY THE PLACE SANDWICH VCT LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE STOCKHOLDERS ON ANY ACCOUNT WHATSOEVER 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 10th JULY 2006.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 12th JULY 2006.

hargela



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —