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legibly, preferably
in black type, or
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*insert full name
of Company

COMPANIES FORM No. 395

950666 / 13

Particulars of a mortgage or charge

395

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

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number



5504818

Name of company

* Stallingborough Developments Limited (the "Company")

Date of creation of the charge

27 July 2006

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

A Debenture (the "Debenture") dated 27 July 2006 between (1) the Company
and (2) Clugston Estates Limited (company number 246469) whose registered
office is at St Vincent House, Normanby Road, Scunthorpe, North
Lincolnshire, DN15 8QT (the "Lender")

Amount secured by the mortgage or charge

As specified in Part I of the attached Schedule

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

Clugston Estates Limited, St Vincent House, Normanby Road, Scunthorpe,
North Lincolnshire

Postcode DN15 8QT

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

Beachcroft LLP
100 Fetter Lane
London
EC4A 1BN

3072835

Time critical reference

For official Use (02/00)

Mortgage Section

Post room



A26
COMPANIES HOUSE

A1FX1106 419
16/08/2006

Short particulars of all the property mortgaged or charged

As specified in Part II of the attached Schedule. Please also see the restrictions set out in Part III of the attached Schedule which protect and further define the Debenture and which must be read as part of the charges created, but is not exhaustive.

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

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Particulars as to commission allowance or discount (note 3)

Nil

Signed Beachcroft LLP

Date 15th August 2006

On behalf of ~~XXXXXXXXXXXX~~ (chargee) †

A fee 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 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

SCHEDULE

To the Form 395 in respect of the Debenture given by Stallingborough Developments Limited (Company No. 5504818) (the "Company") in favour of Clugston Estates Limited (the "Lender") dated 27 July 2006 (the "Form 395").

Part I Definitions

In this Schedule to the Form 395 the following words and expressions shall have the meanings respectively set out against them below:-

Accounts: means all accounts, and all moneys from time to time standing to the credit (including any interest thereon) of such accounts and all rights in relation thereto, with any bank, financial institution or other person in any jurisdiction on the date of the Debenture or at any time thereafter (and from time to time) owned, operated or held by the Company or in which the Company has an interest;

Assigned Agreements: means the Property Contracts, Letting Documents, Development Agreement and Collateral Warranties;

Charged Assets: means all the assets for the time being subject to the Security Interests created by the Debenture (and references to the Charged Assets include references to any part of it);

Collateral Warranties: means any collateral warranties (incorporating step-in rights) given or to be given in favour of the Company by a building contractor and/or any other professional as may be appointed by the Company or building contractor in connection with a development of a property;

Debts: means all book debts, other debts, receivables and liabilities of any kind whatsoever on or at any time after the date of the Debenture (and from time to time) due, owing or payable to the Company or in which the Company has an interest and the proceeds of the same, including the benefit of any judgement or order to pay a sum of money, and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to the same and all bills of exchange, promissory notes and other negotiable instruments for the time being owned or held by the Company or in which the Company has an interest, including all liens, reservations of title, rights of tracing and other rights enabling the Company to enforce such debts;

Development Agreement: means any agreement entered into or to be entered into between the Company and the developer in relation to a Property providing for the carrying out of a development and includes (where the context permits) any substitute contract and/or amendments and additions thereto;

Equipment: means all equipment, plant, machinery, tools, vehicles, furniture and other tangible moveable property at the date of the Debenture or at any time thereafter (and from time to time) owned by the Company, and any part thereof, together with all spare parts, replacements, modifications and additions thereto and the benefit of contracts and warranties relating to the same;

Facility Letter: means the facility letter dated on or about the date of the Debenture from the Lender to the Company;

Finance Documents: means the Facility Letter, the Debenture and the Pari Passu Deed;

Floating Charge Property: means all the assets for the time being subject to the floating charge created by the Debenture (and references to the Floating Charge Property includes references to any part of it);

Goodwill: means all goodwill (including brands and brand names not comprising Intellectual Property) of or in the Company on the date of the Debenture or at any time thereafter (and from time to time);

Insurance Policies: means all contracts and policies of insurance or assurance (including any insurance relating to the Properties or the Equipment) and all moneys payable under or pursuant to such policies and all rights and interests in such contracts and policies including the right to refund of any premium, in each case, on the date of the Debenture or at any time thereafter (and from time to time) owned or taken out by the Company or in which the Company has an interest;

Intellectual Property: means any interests of the Company in respect of any patent (including supplemental protection certificates), trademark, service mark, trade name, registered design, design right, copyright, know-how, utility models, topographical or similar right, moral right, invention, confidential information, trade secret, database right, right in passing off and any other right in intellectual property subsisting anywhere in the world with any of the foregoing whether registered or unregistered and any registration, extension, renewal or application for registration including all present and future fees, royalties and other income or rights derived therefrom or incidental thereto and also including the benefit of all present and future agreements relating to the use of licensing or exploitation of any such rights, in each case, on the date of the Debenture or at any time thereafter (and from time to time) owned or held by the Company or in which the Company has an interest;

Letting Documents: means all present and future leases, agreements for lease and other documents granting occupational interests in the Property;

Other Rights: means the benefit of all agreements, licences, consents and authorisations relating to the business of the Company or any Charged Assets and the right to recover and receive all compensation which may be payable in respect of them, in each case, on the date of the Debenture or at any time thereafter (and from time to time) owned or held by the Company or in which the Company has an interest;

Pari Passu Deed: means the pari passu deed dated on or about the date of the Debenture and made between the Lender, the Joint Venture Partner (as defined in the Facility Letter) and the Company;

Permitted Security Interest: means a Security Interest created under the Charges (as defined in the Pari Passu Deed);

Properties: means all estates or interests in any freehold and leasehold properties (whether registered or unregistered) and all commonhold or other immoveable properties at the date of the Debenture or at any time thereafter (and from time to time) owned by the Company wheresoever situate and all buildings, structures

and fixtures and the proceeds of sale of all or any part thereof (including the properties briefly described in Part V of this Form 395);

Property Contracts: means any contract for the sale and purchase of Properties to which the Company is a party;

Property Interests: means all interests in or over the Properties and all rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties, in each case, on the date of the Debenture or at any time thereafter (and from time to time) owned or held by the Company;

Rental Income: means the aggregate of all amounts payable to or for the account of the Company in connection with the letting of all or part of the Properties;

Security Interest: means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

Secured Liabilities: means all present and future moneys, obligations and liabilities owed by the Company to the Lender whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity whatsoever including (without limitation) moneys, obligations and liabilities owed under or in connection with the Finance Documents and (for the avoidance of doubt) such monies include those which may arise pursuant to Clause 19.3.2;

Securities: means all stocks, shares, loan capital, securities, bonds and investments of any kind whatsoever (whether or not marketable) at the date of the Debenture or at any time thereafter (and from time to time) owned by the Company, or which the Company has an interest (whether certificated or uncertificated and whether in registered or unregistered form), together with all allotments offered or arising in respect thereof or incidental thereto and all stocks, shares, loan capital, securities, bonds, investments, rights, income, money or property accruing, deriving, offered or paid from time to time by way of dividend, distribution, interest, exchange, capital reorganisation, conversion, redemption, bonus, rights, preference, option or otherwise in respect thereof;

Security Period: means the period starting on the date of the Debenture and ending on the date on which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and

Uncalled Capital: means the uncalled capital of the Company on the date of the Debenture or at any time thereafter (and from time to time).

Part II

Amount secured by the Charge

The Company covenanted with the Lender that it will on demand pay and discharge all Secured Liabilities owing or incurred from or by it to the Lender when they become due whether by acceleration or otherwise, together with interest to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees and other charges and all legal and other costs, charges and expenses, on a full and unqualified indemnity basis, which may be incurred by the Lender in relation to any such Secured Liabilities or generally in respect of the Company.

The Debenture secured (amongst other things) further advances made under or pursuant to the terms of the Finance Documents and the Lender is, subject to and upon the terms and conditions of the Finance Documents, under an obligation to make further advances.

Part III

Particulars of Property Charged

- 1 As a continuing security for the payment or discharge of the Secured Liabilities, the Company with full title guarantee:-
 - 1.1 charged to the Lender, by way of first legal mortgage, all its Properties which are listed in Part IV to this Form 395;
 - 1.2 charged to the Lender, by way of first fixed charge, all its:
 - 1.2.1 Properties acquired by the Company after the date of the Debenture;
 - 1.2.2 Property Interests;
 - 1.2.3 Equipment;
 - 1.2.4 Securities;
 - 1.2.5 Intellectual Property;
 - 1.2.6 Debts;
 - 1.2.7 Accounts;
 - 1.2.8 Goodwill and Uncalled Capital; and
 - 1.2.9 Other Rights;
 - 1.3 assigned to the Lender by way of first fixed mortgage all of its right, title and interest in and to the Insurance Policies;
 - 1.4 assigned to the Lender by way of first fixed mortgage all of its right, title and interest in and to:-
 - 1.4.1 the Rental Income; and
 - 1.4.2 any guarantee of Rental Income contained in or relating to any of the Properties;
 - 1.5 assigned to the Lender the benefit of the Assigned Agreements and any claims arising under any of the same and the benefit of any guarantee or security for the performance of the Assigned Agreements;
 - 1.6 charged to the Lender, by way of first floating charge, all its undertaking, property, assets and rights at any time not effectively mortgaged, charged or assigned pursuant to Clauses 3.1.1 to 3.1.5 (as described in paragraph 1.1 – 1.5 above) of the Debenture inclusive.

Part IV

No other security interests or disposals

- 2 The Company covenanted with the Lender that the Company will not at any time, except with the prior consent of the Lender or in accordance with the terms of the Facility Letter:-
 - 2.1 create or purport to create or permit to subsist any Security Interest other than a Permitted Security Interest on or in relation to the Charged Assets other than the Debenture; or
 - 2.2 sell, assign, transfer, lease, licence, share occupation of, part with possession or otherwise dispose of (or purport to sell, assign, transfer, lease, licence, share occupation of, part with possession of or otherwise dispose of) all or any part of the Charged Assets or of the equity of redemption of any such Charged Assets or any interest in any such Charged Assets except (in the case of the Charged Assets charged by way of floating charge only) in the ordinary course of the Company's business and for the purpose of carrying on that business; or
 - 2.3 create or grant (or purport to create or grant) any interest in the Charged Assets in favour of a third party.
- 3 In respect of any Property or part of or interest in any Property title to which is registered at Land Registry the Company consented to the Registrar entering the following restriction on the register of the Company's title to such Property:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the Debenture dated 27 July 2006 in favour of Clugston Estates Limited referred to in the charges register or, if appropriate signed on such proprietor's behalf by its secretary or other authorised signatory or conveyancer."
- 3.1 The Company covenanted that it shall not except with the prior consent of the Lender or in accordance with the terms of the Facility Letter sell, factor, discount, release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Debts save as expressly provided in the Debenture.
- 4 The Debenture provides that the Company shall:-
 - 4.1 as agent for the Lender collect in and realise all Debts, pay the proceeds into the Accounts immediately upon receipt and pending that payment hold those proceeds in trust for the Lender;
 - 4.1.1 not without the prior consent of the Lender charge or assign or otherwise disposal of amounts standing to the credit of the Accounts and comply with all instructions of the Lender in respect of withdrawing all or any monies from time to time standing to the credit of the Accounts;
 - 4.1.2 after the security constituted by the Debenture has become enforceable, comply with any notice served by the Lender on the Company prohibiting it from withdrawing all or any monies from time to time standing to the credit of its accounts with any bank or financial institution or other person, except with the prior consent of the Lender; and

- 4.1.3 if called upon to do so by the Lender execute a legal assignment of the Debts to the Lender in such terms as the Lender may require and give notice thereof to the debtors from whom the Debts are due, owing or incurred.

Part V

Property

Registered Land

<u>Title Number</u>	<u>Property Description</u>
HS228608	Land on the south side of South Marsh Road, Stallingborough
HS154071	Land on the south side of South Marsh Road, Stallingborough
<i>tbc</i> ¹	Land on the south side of South Marsh Road, Stallingborough

Unregistered Land

<u>Root of Title</u>	<u>Property Description</u>
Deed of Gift dated 23 November 1982 made between Ivan Harold Patchett (1) and Marion Moorcroft (2)	Land on the south side of South Marsh Road, Stallingborough

¹ This title, owned by the Lincoln Diocese Trust, is currently unregistered but is the subject of an ongoing application for first registration.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 05504818

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 27th JULY 2006 AND CREATED BY STALLINGBOROUGH DEVELOPMENTS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO CLUGSTON ESTATES LIMITED 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 16th AUGUST 2006.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 21st AUGUST 2006.

A handwritten signature in dark ink, appearing to be 'RSC'.



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES