

M

COMPANIES FORM No. 395

00400107

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.

CHFP025

Please do not write in this margin

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

*insert full name of Company

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

14

05778803

Name of company

* Mount House (Coach House) Limited (the "Company")

Date of creation of the charge

14 September 2007

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

A debenture dated 14 September 2007 (the "Debenture") granted by the Chargers (including the Company) in favour of The Royal Bank of Scotland plc as trustee for each of the Finance Parties (the "Security Trustee")

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by any Obligor or by some other person) of each Obligor to the Finance Parties (or any of them) under each of the Finance Documents except for any obligation or liability which, if it were so included, would cause that obligation or liability or any of the Security in respect thereof, to be unlawful or prohibited by any applicable law (the "Secured Obligations").

Please refer to Schedule 2 (Definitions) which sets out a list of defined terms.

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

The Royal Bank of Scotland plc 135 Bishopsgate, London

Postcode EC2M 3UR

Presenter's name address and reference (if any)

Clifford Chance LLP
10 Upper Bank Street
London
E14-5JJ

Via the London Counter

Time critical reference

70-40300564/909037

For official Use (06/2005)

Mortgage Section

Post room

THURSDAY



LD4

"L08ZTT41"
20/09/2007
COMPANIES HOUSE

491

Short particulars of all the property mortgaged or charged

Please refer to Schedule 1 (Details of Mortgaged Property), which sets out short particulars of all the property mortgaged or charged.

Please do not write in this margin

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

21
93

Particulars as to commission allowance or discount (note 3)

N/A

Signed

Clifford Chance LLP

Date 19 September 2007

On behalf of ~~Clifford Chance LLP~~ [Mortgagee/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 1

DETAILS OF MORTGAGED PROPERTY

- 1 Each Chargor has charged with full title guarantee in favour of the Security Trustee (as trustee for the Finance Parties), with the payment and discharge of the Secured Obligations, by way of first legal mortgage, the Mortgaged Property
- 2 Each Chargor has assigned and agrees to assign absolutely with full title guarantee to the Security Trustee (as trustee for the Finance Parties) as security for the payment and discharge of the Secured Obligations, all of its right, title and interest from time to time in and to each of the following assets
 - (a) any contracts, deeds, leases, licences, undertakings, guarantees, covenants, warranties, representations and other documents entered into by, given to or otherwise benefiting that Chargor in respect of the Real Property,
 - (b) the proceeds of any Insurance Policy and all Related Rights,
 - (c) the Specific Contracts (other than specific contracts which relate to Real Property situated in Scotland),
 - (d) any Rental Income and Disposal Proceeds and the right to make demand for and receive the same,
 - (e) the Assigned Accounts and the debt or debts represented thereby,
 - (f) the Specific Contracts,
 - (g) the Collateral Warranties and all proceeds paid or payable thereunder, and
 - (h) the Hedge Documents and all proceeds paid or payable thereunder
- 3 Each Chargor has charged with full title guarantee in favour of the Security Trustee (as trustee for the Finance Parties) (to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 3 1 (*Mortgage*) of the Debenture or assigned pursuant to Clause 3 2 (*Assignment by way of Security*) of the Debenture) with the payment and discharge of the Secured Obligations, by way of first fixed charge, all of its rights, title and interest from time to time in and to each of the following assets
 - (a) the Real Property and all Related Rights,
 - (b) the Building Contracts, Development Management Agreements, Trade Contracts to which a Warranty Trade Contractor is party, Consultant Appointments to which a Warranty Consultant is party, Specifications, Required Consents, each Opco Lease and agreement for Lease permitted under the Facility Agreement and any other Development Document and all rights under each Development Document;
 - (c) the Tangible Moveable Property;

- (d) each of its present and future accounts (other than the Assigned Accounts) with any bank, building society, financial institution or other person (including any replacement account or sub-division or sub-account of that account) and the debt or debts represented thereby,
 - (e) each of its present and future interest or currency rate swap, cap, floor, collar or option transactions, all proceeds paid or payable thereunder and all Related Rights,
 - (f) book and other debts and Monetary Claims owing to it and any proceeds of those debts and claims and all Related Rights,
 - (g) the Intellectual Property,
 - (h) any goodwill and rights in relation to the uncalled capital of each Chargor,
 - (i) goodwill and rights and claims in relation to its uncalled share capital,
 - (j) rights to recover any VAT on any supplies made to it relating to the Charged Assets and any sums so recovered,
 - (k) any rent deposits and all Related Rights (other than any rent deposits and rental rights in relation to Real Property situated in Scotland),
 - (l) the Investments,
 - (m) the Shares and Related Rights,
 - (n) stocks, shares, debentures, securities and certificates of deposit, all interests in collective investment schemes and partnerships and all warrants, options and rights to subscribe for any investment whether held by or on behalf of any Chargor and all Related Rights, and
 - (o) each of the assets which are specified in Clause 3 2 (*Assignment by way of Security*) of the Debenture
- 4 Each Chargor with full title guarantee has charged in favour of the Security Trustee (as trustee for the Finance Parties), with the payment and discharge of the Secured Obligations, by way of first floating charge all present and future assets and undertaking of that Chargor.
- (a) The floating charge created by clause 4 1(a) of the Debenture shall be deferred in point of priority to (i) any Scottish Floating Charge and (ii) all fixed Security validly and effectively created by each Chargor under the Finance Documents, in each case, in favour of the Security Trustee as trustee for the Secured Parties as security for the Secured Obligations
 - (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to Clause 4 1(a) (*Floating Charge*) of the Debenture.

The Debenture contains covenants for further assurance and a negative pledge

SCHEDULE 2

DEFINITIONS

"Accession Letter" means a document substantially in the form set out in Schedule 6 (*Form of Accession Letter*) of the Facility Agreement

"Account" means any account opened or maintained by a Chargor with the Security Trustee or any other person (and any replacement account or subdivision or subaccount of that account), the debt or debts represented thereby and all Related Rights

"Acquisition Cost" means, in respect of a Property

- (a) the purchase price to be paid by an Obligor to purchase that Property, or
- (b) that part of the purchase price which is attributable to that Property to be paid by an Obligor to purchase the entity which owns that Property (and includes any amount of any such entity's indebtedness which is to be refinanced as part of that acquisition),

in each case from the relevant third party vendor

"Acquisition Loan" means a Loan made or to be made for the purpose of funding Acquisition Costs in respect of a Property

"Agent" means The Royal Bank of Scotland plc as agent for the Lenders

"Architect" means, in respect of a Development Property, such firm or company of architects as may be appointed by Devco, the Main Contractor or the Development Manager (as applicable) in accordance with the Facility Agreement

"Arranger" means The Royal Bank of Scotland plc as the mandated arranger of each Facility

"Assignment of Rents" means an assignment of rental income governed by the laws of Scotland and granted in favour of the Security Trustee

"Assigned Account" means each Control Account and any other Account that may from time to time be identified in writing as an Assigned Account by the Security Trustee

"Budgeted Costs" means the itemised budgeted costs and expenses relating to the carrying out and financing of a Development determined by reference to the line items set out in Schedule 10 (*Form of Budgeted Costs*) of the Facility Agreement and other related costs and expenses (including capitalised interest) all as set out in the relevant Development Programme

"Building Contract" means, in respect of a Development Property, each building contract between the Development Manager or Devco and the Main Contractor, including all documents referred to in that contract, relating to the carrying out of whole of the design and construction of the relevant Development

"Charged Assets" means each of the assets and undertaking of each Chargor which from time to time are the subject of any Security created or expressed to be created by it in favour of Security Trustee by or pursuant to this Debenture and any Legal Charge

"Chargors" means each of

- (a) Barchester New Propco Holdco Limited, incorporated under the laws of Jersey, registered number 98370,
- (b) Barchester Propco Limited, incorporated under the laws of England and Wales, registered number 6322222,
- (c) Barchester New Devco Limited, incorporated under the laws of England and Wales, registered number 6364231,
- (d) Barchester Propco Two Limited, incorporated under the laws of England and Wales, registered number 6351790;
- (e) The Mount House Limited, incorporated under the laws of England and Wales, registered number 03442590, and
- (f) The Company

"Collateral Warranty" means, in respect of a Property, each collateral warranty granted or to be granted by the Main Contractor, each Warranty Trade Contractor and each Warranty Consultant in respect of each Development Document to which it is a party in favour of the Security Trustee

"Consultant" means, in respect of a Development Property, each of the Architect, the Development Manager or Employer's Representative (as applicable), each Engineer, the Quantity Surveyor and any other firm of professional consultants with responsibility (whether for design or any other matter) appointed by Devco, the Development Manager or the Main Contractor in accordance with the Facility Agreement

"Consultant Appointment" means, in respect of a Development Property, an agreement for the appointment of a Consultant by Devco, the Development Manager or the Main Contractor, (or, in the case of the Development Manager, by the Principal Borrower) including all documents referred to in that agreement, entered into in accordance with this Agreement

"Control Account" means each of the Disposal Proceeds Account, the Receipts Account, the Insurance Proceeds Account, the Rectification Account, the Disbursement Account, the Maintenance Reserve Account, the General Account, and the VAT Account

"Cost Overrun Guarantee" means the cost overrun guarantee made by Opco in favour of the Security Trustee, in the agreed form

"Devco" means Barchester New Devco Limited, a company registered in England and Wales with company number 6364231.

"Development" means the development of a Development Property for the provision of care home accommodation together with ancillary uses as approved in accordance with Clause 4.6 (*Development Property approval*) of the Facility Agreement including, without limitation, all demolition and clearance operations, all excavations, building and other construction work and all associated drainage and infrastructure works for the comprehensive development of a Development Property in accordance with the relevant Development Documents, the Required Consents and the provisions of the Facility Agreement

"Development Document" means, in respect of a Development Property, each of

- (a) the Building Contract,
- (b) any Development Management Agreement,
- (c) each Trade Contract to which a Warranty Trade Contractor is party,
- (d) each Consultant Appointment to which a Warranty Consultant is party,
- (e) each Collateral Warranty,
- (f) the Specifications,
- (g) the Required Consents,
- (h) each Lease permitted under Clause 23.3 (*Occupational Leases*) of the Facility Agreement, and
- (i) any other document designated as such in writing by the Agent and the Principal Borrower under the Facility Agreement

"Development Management Agreement" means each agreement between an Obligor and the Development Manager appointing the Development Manager in respect of a Development

"Development Manager" means Barchester New Devco Limited in its capacity as development manager under each Development Management Agreement

"Development Programme" means a report addressed to the Finance Parties summarising the proposed development programme and timetable for a Development, and including details of the relevant Required Consents, proposed Main Contractor, Consultants, Trade Contractors and Budgeted Costs and delivered to and approved by the Lenders in accordance with Clause 4.1 (*Conditions precedent*) of the Facility Agreement and updated from time to time in accordance with the Facility Agreement, and which may, in respect of the first Acquisition Loan for a Development Property, consist of an indicative programme only, pending confirmation as required by Clause 4.2 (*Further Conditions Precedent*) of the Facility Agreement

"Development Property" means each Property which is, or is comprised in, a Permitted Acquisition approved in accordance with Clause 4.6 (*Development Property Approval*) of the Facility Agreement, until re-designated as an Investment Property in accordance with Clause 4.8 (*Redesignation of Properties*) of the Facility Agreement

"Disbursement Account" means the account maintained by the Principal Borrower in accordance with Clause 20 1 (*Designation of Control Accounts*) of the Facility Agreement and includes its interest in any replacement account or sub-division or sub-account of that account

"Disposal" means

- (j) the transfer, assignment, assignation, conveyance or sale (including the grant of a lease at a premium) of an Obligor's interest in all or part of any Property, or
- (k) the direct or indirect disposal of Shares in an Obligor which owns a Property

"Disposal Proceeds" means all sums paid or payable or any other consideration given or to be given for a Disposal including (without limitation)

- (a) all compensation and damages received for any use or disturbance, blight or compulsory purchase,
- (b) any deposit (other than a deposit held on a stakeholder basis),
- (c) in the case of a direct or indirect disposal of Shares in an Obligor which owns a Property, an amount equal to any indebtedness of an Obligor required to be repaid in connection with the Disposal, or of which a purchaser agrees to procure repayment, and
- (d) any amount in respect of or which represents VAT

"Disposal Proceeds Account" means the account maintained by the Principal Borrower in accordance with Clause 20 1 (*Designation of Control Accounts*) of the Facility Agreement and includes its interest in any replacement account or sub-division or sub-account of that account

"Employer's Representative" means such firm or company as may be appointed in relation to a Development as employer's representative by Devco or the Development Manager in accordance with the Facility Agreement

"Engineer" means, in respect of a Development Property, such firm or company of civil, mechanical, electrical, services or structural engineers as may be appointed in relation to the Development by Devco, the Main Contractor or the Development Manager in accordance with this Agreement

"Facility" means the term loan facility made available to the Principal Borrower pursuant to Clause 2 1(a) (*The Facility*) of the Facility Agreement

"Facility Agreement" means the acquisition and development warehouse facility agreement dated on or about the date hereof between, amongst others, Barchester Propco Limited as Principal Borrower, the Original Guarantors, The Royal Bank of Scotland plc as the Agent, the Arranger and the Security Trustee and the Lenders (as amended, varied, novated or supplemented from time to time)

"Fee Letter" means any letter or letters between the Arranger, the Agent and/or the Security Trustee and the Principal Borrower setting out any of the fees referred to in Clause 11 (*Fees*) of the Facility Agreement

"Finance Document" means each of

- (a) the Facility Agreement,
- (b) each Security Document,
- (c) each Subordination Agreement,
- (d) each Transfer Certificate
- (e) each Fee Letter,
- (f) each Hedge Document,
- (g) the Tax and Costs Facility Deed,
- (h) each Utilisation Request,
- (i) the Priority Agreement,
- (j) the MRA Priority Agreement,
- (k) the Cost Overrun Guarantee,
- (l) the Hedging Strategy Letter,
- (m) each Accession Letter, and
- (n) any document designated as such by the Agent and the Principal Borrower

"Finance Party" means the Agent, the Arranger, the Security Trustee, each Hedge Counterparty and the Lenders

"General Account" means the account maintained by the Principal Borrower in accordance with Clause 20.1 (*Designation of Control Accounts*) of the Facility Agreement and includes its interest in any replacement account or sub-division or sub-account of that account

"Guarantor" means each of the persons identified as an Original Guarantor in Part 2 of Schedule 1 (*Original Parties*) of the Facility Agreement and each New Obligor

"Head Lease" means any Lease by virtue of which an Obligor holds an interest in a Property

"Hedge Counterparty" means the Original Hedge Counterparty and any person appointed as a Hedge Counterparty pursuant to Clause 26.6 (*New Hedge Counterparties*) of the Facility Agreement

"Hedge Documents" means any document recording or evidencing the terms of any Hedge Transaction, including

- (a) an ISDA Master Agreement, schedule and credit support annex (if any) made between the Hedge Counterparty and a Principal Borrower, and
- (b) each confirmation pursuant to that Master Agreement relating to an Hedge Transaction

"Hedge Transaction" means any swap, cap, floor, collar, option or other transaction (or any combination) entered into by the Principal Borrower and the Hedge Counterparty in connection with the Facility

"Hedging Strategy Letter" means the letter dated on or about the date of the Facility Agreement between the Arranger and the Principal Borrower relating to the hedging arrangements for the Facility

"Insurance Policy" means any policy of insurance (including life insurance or assurance) in which each Chargor may from time to time have an interest

"Insurance Proceeds Account" means the account maintained by the Principal Borrower in accordance with Clause 20 1 (*Designation of Control Accounts*) of the Facility Agreement and includes its interest in any replacement account or sub-division or sub-account of that account

"Intellectual Property" means any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know how and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and rights to use such assets and all Related Rights

"Investment Property" means each Property which is, or is comprised in, a Permitted Acquisition approved in accordance with Clause 4 5 (*Investment Property Approval*) of the Facility Agreement and each Property which is re-designated as such pursuant to Clause 4 8 (*Redesignation of Properties*) of the Facility Agreement

"Investments" means

- (a) any stocks, shares, debentures, securities and certificates of deposit (but not including the Shares),
- (b) all interests in collective investment schemes, and
- (c) all warrants, options and other rights to subscribe or acquire any of the investments described in (a) and (b),

in each case whether held directly by or to the order of any Chargor or by any trustee, nominee, fiduciary or clearance system on its behalf and all Related Rights (including all rights against any such trustee, nominee, fiduciary or clearance system)

"Jersey Property" means a Property situated in Jersey

"Jersey Security Document" means each document creating or evidencing Security over a Jersey Property made by an Obligor in favour of the Security Trustee

"Lease" means any present or future lease, underlease, sub-lease, licence, tenancy or right to occupy all or any part of a Property and any agreement for the grant of any of the foregoing

"Legal Charge" means a mortgage or legal charge in respect of all or any part of the Real Property between a Chargor and the Security Trustee substantially in the form of Schedule 7 (*Form of Legal Charge*) of the Debenture.

"Lender" means

- (a) any Original Lender, and
- (b) any person which has become a Party as a Lender in accordance with Clause 26 (*Changes to Finance Parties*) of the Facility Agreement,

which, in each case, has not ceased to be a Party in accordance with the terms of the Facility Agreement.

"Loan" means each loan made or to be made under the Facility or the principal amount outstanding for the time being of those loans

"Main Contractor" means, in respect of a Development Property, such firm or company of project contractors as may be appointed by Devco or the Development Manager as the main building contractor in accordance with this Agreement

"Maintenance Reserve Account" means each maintenance reserve account maintained by the Opco Tenant pursuant to the terms of the Opco Leases

"Maintenance Reserve Account Charge" means each charge, mortgage or other security in respect of a Maintenance Reserve Account held by the Principal Borrower pursuant to the terms of the Opco Leases

"Monetary Claims" means any book and other debts and monetary claims owing to each Chargor and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment, any contract or agreement to which that Chargor is a party and any other assets, property, rights or undertaking of that Chargor)

"Mortgaged Property" means the freehold and leasehold property specified in the Schedule to each Legal Charge and any freehold or leasehold property specified in Schedule 2 (*Mortgaged Property*) of the Debenture

"MRA Priority Agreement" means a priority agreement in agreed form pursuant to which any Tenant Mortgagee (as such term is defined in each Opco Lease) agrees with the Principal Borrower and the Security Trustee that any security held by the Tenant Mortgagee in respect of the Maintenance Reserve Account ranks in priority behind the relevant Maintenance Reserve Account Charge and any security held by the Security Trustee in respect of the Principal Borrower's interest and rights in the Maintenance Reserve Account Charge, and that the Tenant Mortgagee will not enforce its security in respect of the Maintenance Reserve Account without the consent of the Principal Borrower and the Security Trustee

"New Obligor" means any person which at any time becomes a New Obligor in accordance with Clause 27 2 (*New Obligors*) of the Facility Agreement

"Northern Irish Property" means a Property situated in Northern Ireland

"Northern Ireland Security Document" means each document creating or evidencing Security over a Northern Irish Property made by an Obligor in favour of the Security Trustee

"Obligor" means each of the Principal Borrower and the Guarantors

"Occupational Lease" means each Opco Lease and any other Lease to which an Obligor's interest in a Property may be directly subject from time to time

"Opco" means Barchester Healthcare Homes Limited

"Opco Group" means Topco and all of its subsidiaries from time to time

"Opco Lease" means each lease and each agreement for lease of a Property between an Obligor and Opco, and any supplemental lease, each in agreed form

"Opco Tenant" means each tenant under an Opco Lease

"Original Guarantors" means each of

- (a) Barchester Propco Limited, registered in England and Wales, company number 6322222,
- (b) Barchester New Devco Limited, registered in England and Wales, company number 6364231,
- (c) Barchester Propco Two Limited, registered in England and Wales, company number 6351790, and
- (d) Barchester New Propco Holdco Limited, registered in Jersey, company number 98370

"Original Hedge Counterparty" means The Royal Bank of Scotland plc as counterparty to the Hedge Documents

"Original Lenders" means each of

- (a) The Royal Bank of Scotland plc,
- (b) The Governor and Company of the Bank of Ireland,
- (c) Allied Irish Banks, p l c ,
- (d) AIB Group (UK) p l c , and
- (e) The Governor and Company of the Bank of Scotland

"Party" means a party any Finance Document

"Permitted Acquisition" means the acquisition of a property (or of any New Obligor which owns that property) which is, or will upon Utilisation be, approved in accordance with Clause 4.5 (*Investment Property approval*) of the Facility Agreement, Clause 4.6 (*Development Property approval*) of the Facility Agreement or Clause 4.7 (*Speculative Property approval*) of the Facility Agreement

"Planning Acts" means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Town and Country Planning (Scotland) Act 1997, the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997, the Planning (Hazardous Substances) (Scotland) Act 1997 and the Planning (Consequential Provisions) (Scotland) Act 1997 and any subsequent legislation of a similar nature or equivalent legislation in any jurisdiction in which a Property is situated

"Principal Borrower" means Barchester Propco Limited, a company registered in England and Wales with company number 6322222

"Priority Agreement" means a priority agreement between The Royal Bank of Scotland plc, the Governor and Company of the Bank of Ireland, Allied Irish Banks plc, AIB Group (UK) plc and the Governor and Company of the Bank of Scotland as original propco creditors, The Royal Bank of Scotland plc, the Governor and Company of the Bank of Ireland, Allied Irish Banks plc and the Governor and Company of the Bank of Scotland as original opco creditors and Barchester Propco Limited, Barchester New Devco Limited, Barchester Propco Two Limited, The Mount House Limited, Mount House (Coach House) Limited and Barchester New Propco Holdco Limited as original obligors

"Project Monitor" means

- (a) in respect of any Development Property the Budgeted Costs for which exceed £8,000,000, and if required by the Lenders, such chartered surveyors or quantity surveyors as may be appointed by the Agent, and
- (b) in respect of any other Development Property, Meadhurst as long as it has entered into a duty of care agreement with the Security Trustee in the agreed form, failing which such chartered surveyors or quantity surveyors as may be appointed by the Agent

"Property" means.

- (a) each Investment Property, and
- (b) each Development Property, and
- (c) each Speculative Property,

but any such property shall cease to be included in this definition if that property is irrevocably released from the Security constituted under the Finance Documents

"Quantity Surveyor" means, in respect of a Development Property, such firm or company of quantity surveyors or cost consultants as may be appointed by the Main Contractor, Devco or the Development Manager in accordance with this Agreement

"Real Property" means, (including as provided in Clause 17 (*Real Property*) of the Debenture), the Mortgaged Property and any present or future freehold or leasehold property in which any Chargor has an interest

"Receipts Account" means the account maintained by the Principal Borrower in accordance with Clause 20.1 (*Designation of Control Accounts*) of the Facility Agreement and includes its interest in any replacement account or sub-division or sub-account of that account

"Rectification Account" means the account maintained by the Principal Borrower in accordance with Clause 20.1 (*Designation of Control Accounts*) of the Facility Agreement and includes its interest in any replacement account or sub-division or sub-account of that account

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

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

"Rental Income" means all sums paid or payable to or for the benefit of any Obligor arising from the letting, use or occupation of all or any part of any Property, including, without limitation

- (a) rents, licence fees and equivalent sums reserved or made payable;
- (b) sums received from any deposit held as security for performance of any tenant's obligations;
- (c) the letting or use of fixtures, fittings and equipment;
- (d) proceeds of insurance in respect of loss of rent or interest on rent,
- (e) receipts from or the value of consideration given for the grant, surrender, renunciation or variation of any Lease,
- (f) any service charge payments,
- (g) proceeds paid for a breach of undertaking or covenant or dilapidations under any Lease in relation to a Property and for expenses incurred in relation to any such breach and which, in the case of a breach of a continuing undertaking or covenant, is not applied towards the remedy of that breach or the payment of those expenses,

- (h) any contribution to a sinking fund paid by a tenant under an Occupational Lease,
- (i) any contribution by a tenant of a Property to ground rent due under any Head Lease,
- (j) any payment from a guarantor or other surety in respect of any of the items listed in this definition,
- (k) interest, damages or compensation in respect of any of the items in the definition, and
- (l) to the extent not already part of the amounts referred to in paragraphs (a) to (k) above, any amount in respect of or which represents VAT.

"Required Consents" means, in respect of a Development Property, all planning permissions required for the Development and all approvals of reserved matters or details required thereunder and all other consents, licences, approvals and certificates under the Planning Acts, building regulations, fire safety orders and any other statute or bye-law of any relevant authority and which are necessary for the carrying out, completion and occupation of that Development

"Scottish Floating Charge" means a floating charge governed by the laws of Scotland and granted in favour of the Security Trustee

"Scottish Security Document" means each Scottish Floating Charge and each Standard Security and each Assignment of Rents in the agreed form in relation to Property situated in Scotland

"Security" means a mortgage, standard security, charge (fixed or floating), pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement entered into to create or confer security over any asset

"Security Document" means

- (a) each Debenture,
- (b) any Legal Charge,
- (c) each Scottish Security Document,
- (d) each Northern Ireland Security Document,
- (e) each Jersey Security Document;
- (f) any other document evidencing or creating Security to secure any Secured Obligation, and
- (g) any other document designated as such by the Security Trustee and an Obligor.

"Share" means any share listed in Schedule 3 (*Shares*) of the Debenture

"Specifications" means, in respect of a Development Property, the drawings, calculations, plans and specifications for the Development which have been approved by the Agent in consultation with the Project Monitor prior to the first Utilisation Date for that Development Property as may be amended in accordance with Clause 24 1(c) (*Development*) of the Facility Agreement

"Specific Contracts" means each Opco Lease, the Tax and Costs Facility Deed and each share purchase business or asset purchase or property purchase agreement in each case entered into by a Chargor

"Speculative Property" means each Property which is, or is comprised in, a Permitted Acquisition approved in accordance with Clause 4.7 (*Speculative Property approval*) of the Facility Agreement, until re-designated as a Development Property in accordance with Clause 4 8 (*Redesignation of Properties*) of the Facility Agreement

"Standard Security" means a standard security governed by the laws of Scotland in respect of all Real Property situated in Scotland in favour of the Security Trustee in a form agreed by the Security Trustee

"Subordination Agreement" means the deed of subordination in agreed form made between, amongst others, the Principal Borrower, the Obligors and members of the Opco Group as subordinated creditors and the Security Trustee.

"Tangible Moveable Property" means any plant, machinery, office equipment, computers, vehicles and other chattels (excluding any for the time being forming part of each Chargor's stock in trade or work in progress) and all Related Rights

"Tax and Costs Facility Deed" means the tax and costs facility deed entered or to be entered into between, amongst others, the Obligors, Opco and the Security Trustee

"Topco" means Barchester Holdco (Jersey) Limited

"Trade Contract" means, in respect of a Development Property, each contract or agreement made by a Trade Contractor with the Main Contractor, Devco or the Development Manager governing its appointment as such and the obligations of that Trade Contractor in relation to the Development, including all documents referred to in that contract

"Trade Contractor" means, in respect of a Development Property, any trade contractor or service provider (other than a Consultant) as may be appointed by the Main Contractor, Devco or the Development Manager, in accordance with this Agreement

"Transfer Certificate" means a certificate substantially in the form set out in Schedule 5 (*Form of Transfer Certificate*) of the Facility Agreement or any other form agreed between the Agent and the Principal Borrower

"Utilisation" means a utilisation of the Facility

"Utilisation Date" means the date of a Utilisation, being the date on which a Loan is to be made

"Utilisation Request" means a notice substantially in the form set out in Part A of Schedule 3 (*Utilisation Request*) of the Facility Agreement

"VAT" means value added tax as imposed by VATA and legislation and regulations supplemental thereto and includes any other tax of a similar fiscal nature whether imposed in the United Kingdom (instead of or in addition to value added tax) or elsewhere from time to time

"VATA" means the United Kingdom Value Added Tax Act 1994

"VAT Account" means the account maintained by the Principal Borrower in accordance with Clause 20 1 (*Designation of Control Accounts*) of the Facility Agreement and includes its interest in any replacement account or sub-division or sub-account of that account

"Warranty Consultant" means, in respect of a Development Property, the Architect, each Engineer, the Quantity Surveyor, the Development Manager or Employer's Representative (as applicable) and each other Consultant agreed prior to the first Utilisation Date for that Development Property by the Agent and the Principal Borrower (both acting reasonably) to be the principal Consultants or otherwise designated as such by the Agent from time to time in accordance with Clause 24 5(e) (*Contractors and Consultants*) of the Facility Agreement

"Warranty Trade Contractor" means the Main Contractor and each other Trade Contractor agreed prior to the first Utilisation Date in respect of the relevant Property by the Agent and the Principal Borrower (both acting reasonably) to be the principal Trade Contractors or otherwise designated as such by the Agent from time to time in accordance with Clause 24.5(e) (*Contractors and Consultants*) of the Facility Agreement

TERMS DEFINED ELSEWHERE

Terms not expressly defined in this Form 395 have the meanings given to those terms in the Facility Agreement

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No 05778803

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 14th SEPTEMBER 2007 AND CREATED BY MOUNT HOUSE (COACH HOUSE) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM EACH OBLIGOR TO THE FINANCE PARTIES (OR ANY OF THEM) 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 20th SEPTEMBER 2007

GIVEN AT COMPANIES HOUSE, CARDIFF THE 25th SEPTEMBER 2007

A handwritten signature in black ink, appearing to be 'J. G.' or similar, written over a horizontal line.



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES