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* Insert full name
of company

COMPANIES FORM No. 395

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

2

06032640

Name of company

*LXB Dev Co Borrower Limited (the "Chargor")

Date of creation of the charge

7 March 2007

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

Debenture (the "Debenture")

Amount secured by the mortgage or charge

The liabilities of the Charging Group Entities to the Finance Parties under or pursuant to the Finance Documents except for any liabilities which, if secured by the Debenture, would result in a contravention by a Chargor of section 151 of the Companies Act 1985 (the "Secured Liabilities").

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

The Governor and Company of the Bank of Scotland, The Mound Edinburgh (as security trustee for the Finance Parties, the "Security Trustee")

Postcode EH1 1YZ

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

Dundas & Wilson CS LLP
Saltire Court
20 Castle Terrace
Edinburgh EH1 2EN
Ref:
NSR/ADCF/CLP/BOS001.3314

For official use (02/2006)

Mortgage S

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COMPANIES HOUSE

Time critical reference

Short particulars of all the property mortgaged or charged

Please see Paper Apart 1.

Please see Paper Apart 2 for definitions.

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

Particulars as to commission allowance or discount (note 3)

Signed

Date 9 March 2007

On behalf of ~~[company]~~ [mortgagee/chargee] [†]

[†] 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 are to be made payable to **Companies House**.
6. The address of the Registrar of Companies is:- Companies House, Crown Way, Cardiff CF4 3UZ.

This is Paper Apart 1 referred to in the preceding Form 395 in respect of the Debenture dated 7 March 2007 granted by LXB Dev Co Borrower Limited in favour of The Governor and Company of the Bank of Scotland (as security trustee for the Finance Parties)

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1. Land

The Chargor charges:

- 1.1 by way of legal mortgage its interest in the Land referred to in Schedule 2 (*Land charged by way of legal mortgage*) of the Debenture (as detailed at Paper Apart 3); and
- 1.2 by way of fixed charge any right, title or interest which it has now or may subsequently acquire to or in any other Land but excluding the Scottish Property.

2. Investments

The Chargor mortgages or (if or to the extent that the Debenture does not take effect as a mortgage) charges by way of fixed charge all Investments, including those held for it by any nominee.

3. Plant and Machinery

The Chargor charges by way of fixed charge all Plant and Machinery in so far as it is not charged by way of legal mortgage under Clause 3.1 (*Land*) of the Debenture.

4. Book Debts

The Chargor charges by way of fixed charge:

- 4.1 all Book Debts; and
- 4.2 all benefits, rights and Security held in respect of, or to secure the payment of, the Book Debts.

5. Credit balances

- 5.1 The Chargor charges by way of fixed charge all amounts standing to the credit of any account (including without limitation any Account) in its name or to which it is beneficially entitled.

- 5.2 Regardless of the terms on which moneys are credited to any account in the name of the Chargor held with any Finance Party, no amount standing to the credit of that account will be or accrue due or payable to the Chargor until:

- (a) the Secured Liabilities have been paid and discharged in full; and
- (b) no Finance Party is under any obligation to make banking or other facilities available to the Chargor,

and until that time that Chargor shall not request, demand or claim to be entitled to withdraw any amount from that account except (without prejudice to the Finance Parties' rights under the Debenture) as the Security Trustee may in its absolute discretion from time to time permit.

6. Intellectual Property Rights

The Chargor charges by way of fixed charge all Intellectual Property Rights.

7. Goodwill

The Chargor charges by way of fixed charge its goodwill.

8. Uncalled capital

The Chargor charges by way of fixed charge its uncalled capital.

9. Authorisations

The Chargor charges by way of fixed charge the benefit of all Authorisations held in relation to any Security Asset.

10. Assigned Agreements

The Chargor assigns absolutely all its rights and interests in and under:

10.1 the Assigned Agreements;

10.2 all Rental Income; and

10.3 all payments, repayments and refunds of VAT due or owing by Her Majesty's Revenue and Customs.

11. Collateral Warranties

The Chargor assigns absolutely all its rights and interests in the Collateral Warranties.

12. Insurances

The Chargor assigns absolutely all its rights and interests under all contracts and policies of insurance.

13. Contractual rights

The Chargor charges by way of fixed charge all its rights under any agreement to which it is a party other than the Assigned Agreements and insurances which are effectively assigned by Clauses 3.10 (*Assigned Agreements*) of the Debenture and 3.12 (*Insurances*) of the Debenture respectively.

14. Other assets

14.1 The Chargor charges by way of floating charge all its present and future business, undertaking and assets which are not effectively mortgaged, charged by way of fixed charge or assigned under Clause 3 of the Debenture and expressly including all such present and future business, undertaking and assets whatsoever situated in Scotland whether the same are effectively mortgaged, charged by way of fixed charge or assigned under Clause 3 of the Debenture or otherwise.

- 14.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by the Debenture.

This is Paper Apart 2 referred to in the preceding Form 395 in respect of the Debenture dated 7 March 2007 granted by LXB Dev Co Borrower Limited in favour of The Governor and Company of the Bank of Scotland (as security trustee for the Finance Parties)

For the purposes of the preceding Form 395 and Papers Apart 1-3, the following definitions shall apply: -

Account means the Current Account and any other account opened at the Agent's request or with the Agent's consent under and in accordance with Clause 17 of the Facility Agreement, any Proceeds Account opened in accordance with Clause 7.2 of the Facility Agreement and any Blocked Account opened in accordance with Clause 23.1 of the Facility Agreement (with all such terms being defined in the Facility Agreement).

Agent means The Governor and Company of the Bank of Scotland in its capacity as agent pursuant to the terms of the Facility Agreement.

Assigned Agreements means:

- (a) the Management Agreement;
- (b) any Hedging Agreements;
- (c) any Partnership Agreements;
- (d) any Joint Venture Agreements; and
- (e) any Building Contract,

(as all such terms are defined in the Facility Agreement)

Authorisation means an authorisation, consent (including an Environmental Consent (as such term is defined in the Facility Agreement)), approval, resolution, licence, exemption, filing, notarisation or registration.

Bank Finance Party means an Arranger, the Agent, the Security Trustee or a Lender (as such terms are defined in the Facility Agreement).

Book Debts means:

- (a) all the book debts of the Chargor; and
- (b) all other debts and moneys payable to or receivable by the Chargor except for those referred to in Clause 3.5 (*Credit balances*) of the Debenture.

Charging Group Entity means:

- (a) LXB Dev Co Borrower Limited and each Subsidiary (as defined in the Facility Agreement) of LXB Dev Co Borrower Limited (each a **Charging Group Company**); and
- (b) each Associate (as defined in the Facility Agreement) of a Charging Group Entity, which has granted, or is by the terms of the Facility Agreement to grant, any Security Document which has not been released in full; and
- (c) any Trust and any Investment Subsidiary (as such terms are defined in the Facility

Agreement) of any Trust,

- (i) which has granted, or is by the terms of the Facility Agreement to grant, any Security Document; or
- (ii) the Units (as defined in the Facility Agreement) (or equivalent) of which are the subject of Security granted by a Charging Group Entity, which has not been released in full,

and **Charging Group Companies** and **Charging Group Entities** shall be construed accordingly.

Collateral Warranties means the collateral warranties in the form scheduled to the relevant Building Contract granted or to be granted by the Building Contractor and the Monitoring Surveyors and, if paragraph 4.6(b) of Part 3 of Schedule 3 applies in respect of any Capex Loan, each member or members of the Professional Team in the form scheduled to the relevant Building Contract as may be required by the Agent (acting on the instructions of the Majority Lenders and following consultation with the Monitoring Surveyors), in each case in favour of the Security Trustee and **Collateral Warranty** shall be construed accordingly (with all such defined terms in this definition of Collateral Warranties being more particularly defined in the Facility Agreement).

Facility Agreement means the facility agreement dated 6 March 2007 between, *inter alios*, The Governor and Company of the Bank of Scotland (in its capacities as agent, arranger, hedging counterparty, lender and security trustee) and LXB Dev Co Borrower Limited.

Finance Documents means the Facility Agreement, any Hedging Agreement (as defined in the Facility Agreement), the Hedging Strategy Letter (as defined in the Facility Agreement), any Security Document and any other document designated as such by the Agent and LXB Dev Co Borrower Limited.

Finance Parties means a Bank Finance Party or a Hedging Counterparty.

Intellectual Property Rights means:

- (a) any patents, petty patents, trade marks, service marks, trade names, domain names, rights in designs, software rights, utility models, database rights, copyrights, rights in the nature of copyright, and all other forms of intellectual or industrial property;
- (b) any rights in or to inventions, formulae, confidential or secret processes and information, know-how and similar rights, goodwill and any other rights and assets of a similar nature; and
- (c) any other right to use, or application to register or protect, any of the items listed in paragraphs (a) or (b) above,

arising or subsisting in any jurisdiction and whether registered or not.

Investments means:

- (a) all or any stocks, shares, bonds and securities of any kind (marketable or otherwise), negotiable instruments and warrants and any other financial instruments (as defined in the Regulations); and

- (b) all allotments, accretions, offers, options, rights, bonuses, benefits and advantages, whether by way of conversion, redemption, preference, option or otherwise which at any time accrue to or are offered or arise in respect of them,

and includes all dividends, interest and other distributions paid or payable on or in respect of them.

Land has the same meaning as it has in section 205(1) of the LPA.

Plant and Machinery means all fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment and the benefit of all related Authorisations, agreements and warranties.

Rental Income has the meaning given to it in the Facility Agreement.

Scottish Property means all heritable and leasehold property now or at any time during the Security Period belonging to the Chargor and situated in Scotland.

Security Assets means all of the assets of the Chargor which are the subject of any Security created or to be created by the Debenture.

Security means a mortgage, charge, pledge, lien, assignment by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect.

Security Documents means each of the documents described in Schedule 9 (*Initial Security Documents*) of the Facility Agreement, each Guarantee and Debenture, each Supplemental Debenture, each Standard Security, each Assignment of Rents, each Deed of Accession to the Subordination Deed, each Share Charge, each Security Interest Agreement and any other document creating, evidencing or granting Security in favour of the Finance Parties (or any of them) in respect of the obligations of a Charging Group Entity under the Finance Documents, each in form and substance satisfactory to the Agent (as all such terms are defined in the Facility Agreement).

This is Paper Apart 3 referred to in the preceding Form 395 in respect of the Debenture dated 7 March 2007 granted by LXB Dev Co Borrower Limited in favour of The Governor and Company of the Bank of Scotland (as security trustee for the Finance Parties)

"Schedule 2

(Land charged by way of legal mortgage)

1. The Cheltenham Property

All that leasehold property known as Cavendish House, 34-38 The Promenade, Cheltenham held under a lease dated 7 October 1963 (with deed of surrender dated 15 January 1966 and supplemental lease dated 15 February 1966) and made between Cavendish House (Cheltenham) Limited (1) and The Prudential Assurance Company Limited (2) and registered at the Land Registry with leasehold title absolute under Title No. GR222525.

2. The Darlington Property

All that freehold property known as 11/18a Blackwellgate, 3/7 High Row and 7a/12 Mechanics Yard, Darlington registered at HM Land Registry under Title Nos. DU163180 and DU26753."

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 06032640

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 7th MARCH 2007 AND CREATED BY LXB DEV CO BORROWER LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE CHARGING GROUP ENTITIES TO THE FINANCE PARTIES 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 9th MARCH 2007.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 20th MARCH 2007.

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Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES