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COMPANIES FORM No. 395

Particulars of a mortgage or charge

Acc 00400024 / 91

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



6037454

Name of company

* Milton Homes Limited a company registered in England with number 6037454 (Chargor).

Date of creation of the charge

20 August 2009

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

A debenture dated 20 August 2009 between the Chargor, the Original Chargors and the Security Trustee (as defined below) (Deed).

Amount secured by the mortgage or charge

4
10
All monies and liabilities now or after the date of the Deed due, owing or incurred by the Chargor to the Finance Parties (or any of them) under the Finance Documents (or any of them) in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by any Finance Party under any Finance Document, except for any obligation which, if it were included here, would constitute unlawful financial assistance, or its equivalent in any other jurisdiction (Secured Obligations).

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

The Royal Bank of Scotland plc a company registered in Scotland with number SC090312 whose registered office is at 36 St Andrews Square, Edinburgh as security trustee for the Finance Parties (Security Trustee) which term shall include any person appointed as security trustee or as additional trustee in accordance with the terms of the Facility Agreement.

Postcode EH2 2YB

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

Addleshaw Goddard LLP
Box 500, Companies House, 21
Bloomsbury Street, London, WC1B
3XD

lawsf/rosej/304919-2563

Time critical reference

For official Use (02/06)
Mortgage Section

Post room

TUESDAY



LD2

01/09/2009
COMPANIES HOUSE

46

1 Charging provisions

1.1 General

All Security created by the Chargor under clauses 3.2 to 3.4 of the Deed (referred to as clause 1.2 to 1.4 of this Form 395) inclusive is:

- (a) a continuing security for the payment and discharge of the Secured Obligations;
- (b) granted in respect of all the right, title and interest (if any), present and future, of that Chargor in and to the relevant Secured Asset; and
- (c) granted in favour of the Security Trustee as security trustee for the Finance Parties.

(continued on continuation sheet)

Please do not
write in
this margin

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

Particulars as to commission allowance or discount (note 3)

Nil

Signed Addleshaw Goddard LLP Date 01.03.2009

On behalf of ~~XXXXXXXX~~ [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**

Name of company

*insert full name
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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)

Addendum 3/4

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

Addendum 4/4

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

1.2 Assignments

- (a) Pursuant to the Deed, the Chargor assigns by way security:
 - (i) the Relevant Agreements to which it is a party; and
 - (ii) the Relevant Policies to which it is a party.
- (b) The Chargor shall remain liable to perform all its obligations under the Relevant Agreements and the Relevant Policies to which it is a party.
- (c) Notwithstanding the other terms of clause 3.2 of the Deed (referred to as clause 1.2 of this Form 395), prior to the occurrence of a Default which is continuing, the Chargor may, subject to the other terms of the Finance Documents, continue to exercise all and any of its rights under and in connection with the Relevant Agreements.

1.3 First fixed charges

Pursuant to the Deed, the Chargor charges by way of first fixed charge:

- (a) all its beneficial interests and estates in the Properties and Premises;
- (b) all its beneficial interests and estates in any other freehold, leasehold or commonhold property;
- (c) the proceeds of sale of its Secured Property and all licences to enter on or use any Secured Property;
- (d) the benefit of all other agreements, instruments and rights relating to its Secured Property;

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- (e) all plant, machinery, vehicles, computers, office and other equipment, all furniture, furnishings, equipment and tools and any removals or replacement of them, (together **Chattels**) present and future and the benefit of all contracts, licences, warranties, maintenance contracts relating to them and any renewals and replacements of them;
- (f) the Subsidiary Shares together with all Related Rights;
- (g) the Investments together with all Related Rights;
- (h) all its beneficial interest and rights under the Relevant Policies and any other insurance policies from time to time and all proceeds of them;
- (i) all book and other debts due to the relevant Chargor and their proceeds (both collected and uncollected) (together **Debts**) and all rights, guarantees, security or other collateral in respect of the Debts (or any of them) and the benefit of any judgment or order to pay a sum of money and all rights to enforce the Debts (or any of them);
- (j) all monies from time to time standing to the credit of the Collections Account;
- (k) all monies from time to time standing to the credit of each account held by the relevant Chargor with any bank, building society, financial institution or other person other than any Collections Account (each an **Account**);
- (l) all its Intellectual Property;
- (m) all its goodwill and uncalled capital;
- (n) the benefit of all Authorisations held or utilised by it in connection with its business or the use of any of its assets and the right to recover and receive compensation payable in respect of any of them; and
- (o) its rights under any Hedging Agreement or hedging arrangements; and
- (p) to the extent that any assignment in clause 3.2 of the Deed (referred to as clause 1.2 of this Form 395) is ineffective as an assignment (as applicable), the assets referred to in that clause.

1.4 Floating charge

Pursuant to the Deed, the Chargor charges by way of first floating charge all its assets and undertaking wherever located both present and future other than any assets effectively charged by way of fixed charge or assigned under clauses 3.2 or 3.3 of the Deed (referred to as clause 1.2 or 1.3 of this Form 395).

1.5 Qualifying floating charge

The Deed contains a qualifying floating charge and paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by or under the Deed.

1.6 Conversion of floating charge to a fixed charge

Pursuant to the Deed, the Security Trustee may at any time by notice in writing to any Chargor convert the floating

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charge created under clause 3.4 of the Deed (referred to as clause 1.4 of this Form 395) into a fixed charge as regards any Floating Charge Asset as it shall specify in the notice if:

- (a) an Event of Default is continuing; or
- (b) in the opinion of the Security Trustee that Floating Charge Asset is in danger of being seized or any legal process or execution is being enforced against that Floating Charge Asset.

1.7 Automatic conversion of floating charge to a fixed charge

Pursuant to the Deed, if (unless permitted in writing by the Security Trustee or expressly permitted under the terms of any Finance Document):

- (a) a Chargor creates or attempts to create any Security over any of its Floating Charge Assets;
- (b) any person levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset; or
- (c) any steps are taken for the appointment of an administrator or an administrator is appointed in place of any Chargor or the Security Trustee receives notice of any persons intention to appoint an administrator; or
- (d) the members of a Chargor convene to consider a resolution regarding the winding up, dissolution or reorganisation of that Chargor or the rescheduling of any liabilities; or
- (e) a Chargor is presented with a petition for its compulsory winding up; or
- (f) any steps are taken in relation to the appointment of a receiver or manager in relation to any Floating Charge Asset,

the floating charge created by the Deed will automatically and immediately without notice be converted into a fixed charge over the relevant assets or, in the circumstances described in clause 3.7(c) of the Deed (referred to as clause 1.7(c) of this Form 395), over all of the Floating Charge Assets.

1.8 Small company moratorium

Where a Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986, then the obtaining of a moratorium, including any preliminary decision, or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986 shall not cause the floating charge created by the Deed to crystallise into a fixed charge, nor cause restrictions which would not otherwise apply to be imposed on the disposal of its property and assets by the Chargor.

2 Continuing security

2.1 The Security constituted by the Deed shall be continuing security and shall remain in full force and effect regardless of any intermediate payment or discharge by any Chargor or any other person of the whole or any part of the Secured Obligations.

2.2 Recourse

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The Security constituted by the Deed:

- (a) is in addition to any other Security which any Finance Party may hold at any time for the Secured Obligations (or any of them); and
- (b) may be enforced without first having recourse to any other rights of any Finance Party.

3 Negative pledge

3.1 Pursuant to the Deed, the Chargor shall not create or permit to subsist any Security over any of its assets.

3.2 Pursuant to the Deed, the Chargor shall not:

- (a) sell, transfer or otherwise dispose of any of its assets (except the Sovereign Shares) on terms whereby they are or may be leased to or re-acquired by a Chargor or any other member of the Group;
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (c) enter into any arrangement under which monies or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

3.3 Clauses 5.1 and 5.2 of the Deed (referred to as clauses 3.1 and 3.2 if this Form 395) do not apply to any Security or arrangement which is Permitted Security.

4 Further assurance

4.1 Pursuant to the Deed, the Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require) in favour of the Security Trustee or its nominee(s):

- (a) to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by the Deed or for the exercise of any rights, powers and remedies of the Security Trustee or the Finance Parties provided by or pursuant to the Deed or by law;
- (b) to confer on the Security Trustee or confer on the Finance Parties Security over any property and assets of that Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to the Deed; and/or
- (c) (if an Event of Default is continuing) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by or under the Deed.

4.2 The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee or the Finance Parties by or pursuant to the Deed.

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to be conferred on the Security Trustee or the Finance Parties by or pursuant to the Deed.

- 4.3 Any document required to be executed by a Chargor under clause 7 of the Deed (referred to as clause 4 of this Form 395) will be prepared at the cost of that Chargor.

5 Definitions

In this Form 395 the following terms shall have the following meanings:

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration, or any other similar permission.

"Collections Account" has the meaning given to it in the Facility Agreement.

"Default" means an Event of Default or any event or circumstance specified in clause 25 (Events of Default) of the Facility Agreement which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

"Event of Default" means any event or circumstance specified as such in clause 25 (Events of Default) of the Facility Agreement.

"Facility Agreement" means the facility agreement between the Original Chargors as Original Borrowers and Original Guarantors, The Royal Bank of Scotland plc as Arranger, Agent, Security Trustee and Original Lender and dated 20 August 2009 under which the Lenders agree to make available to the Borrowers a term credit facility (as each term is defined in the Facility Agreement).

"Finance Document" means any of the Facility Agreement, any Accession Deed, any Fee Letter, any Hedging Agreement, the Subordination Deed, any Security Document, the Warrant Document, any Utilisation Request and any other document designated as a Finance Document by the Agent and the Parent (as each term is defined in the Facility Agreement)

"Finance Party" means any of the Agent, the Arranger, the Security Trustee, each Lender, and each Hedge Counterparty (as each term is defined in the Facility Agreement).

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) monies borrowed and debit balances at banks or other financial institutions;
- (b) acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
- (c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) any Finance Leases;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any Hedge Transaction (and, when calculating the value of that Hedge Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Hedge Transaction, that amount) shall be taken into account);

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- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of an entity which is not a member of the Group which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the issuer) before the Termination Date or are otherwise classified as borrowings under the Accounting Principles;
- (i) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 90 days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase sale and sale back or sale and leaseback agreement) having the commercial or economic effect of a borrowing or otherwise classified as borrowings under the Accounting Principles; and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) (but, for the purposes of clause 23 (Financial covenants) of the Facility Agreement, without double counting)

(as each term is defined in the Facility Agreement).

"Fixtures" means in respect of any Secured Property, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or at any time after the date of the Deed on that Secured Property.

"Floating Charge Assets" means all the assets and undertaking from time to time subject to the floating charge created under clause 3.4 (Floating charge) of the Deed.

"Group" means the Parent and each of its Subsidiaries from time to time, but excluding DV3 RAM (as each term is defined in the Facility Agreement).

"Hedging Agreement" means any ISDA Master Agreement, confirmation, schedule or other agreement to be entered into by an Obligor and a Hedge Counterparty for the purpose of hedging interest rate liabilities in relation to the Facility and which shall be a in form and substance agreed between the Agent and the Parent (as each term is defined in the Facility Agreement).

"Intellectual Property" means:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered and
- (b) the benefit of all applications and rights to use such assets of each member of the Group (which may now or in the future subsist).

"Investments" means any shares, stocks, debenture security, securities, bonds and investments of any type (other than the Subsidiary Shares) whatever, including but not limited to, negotiable instruments, certificates of deposit, eligible debt securities, interests in collective investment schemes, or other investments referred to in section 22 of, and as defined in Part II of Schedule 2 to, the Financial Services and Markets Act 2000 and Part III of the Financial Services and Markets Act

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2000 (Regulated Activities) Order 2001, whether certificated or uncertificated, physical or dematerialised, registered or unregistered, held by the relevant Chargor or by a trustee or clearance system or nominee.

"Original Chargor" means Living Plus Assets Limited, Living Plus Limited, Retirement Plus Limited and Retirement Plus Properties Plans Limited.

"Premises" means any building on a Secured Property

"Properties" has the meaning given to it in the Facility Agreement and shall include the properties listed in Schedule 2 of the Deed.

"Permitted Security" means:

- (a) any Security arising under the Security Documents
- (b) the second ranking guarantee and indemnity dated on or about the date of this Agreement and granted by each Obligor to each of the Shareholders in relation to the Subordinated Loans and the Interest Guarantee
- (c) the second ranking charge dated on or about the date of this Agreement and granted by each Obligor to each of the Shareholders in relation to, amongst other things, the Subordinated Loans, the Interest Guarantee
- (d) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any member of the Group
- (e) any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of members of the Group but only so long as (i) such arrangement does not permit credit balances of Obligors to be netted or set off against debit balances of members of the Group which are not Obligors and (ii) such arrangement does not give rise to other Security over the assets of Obligors in support of liabilities of members of the Group which are not Obligors
- (f) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a member of the Group in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Group
- (g) any Security or Quasi-Security arising as a consequence of any finance or capital lease permitted pursuant to paragraph (d) of the definition of Permitted Financial Indebtedness in the Deed.
- (h) any Security permitted by the Agent in writing or
- (i) prior to the first Utilisation Date, any Security in favour of the Original Lender

(as each term is defined in the Facility Agreement).

Related Rights means, in respect of any Investment or Subsidiary Share:

- (a) all monies paid or payable in respect of that Investment or Subsidiary Share (whether as income, capital or otherwise)

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- (b) all shares, investments or other assets derived from that Investment or Subsidiary Share and
- (c) all rights derived from or incidental to that Investment or Subsidiary Share

Relevant Agreements means:

- (a) the Deed of Assignment relating to assets of DV3 RAM Limited between DV3 Ram Limited (as Assignor) and Living Plus Assets Limited (as Assignee) dated 13 November 2007;
- (b) the Declaration of Trust relating to assets in DV3 RAM Limited between RBC Trustees (CI) Limited (as the Trustee) and Living Plus Assets Limited (as the Owner) dated 13 November 2007;
- (c) each Servicing Agreement;
- (d) each Service Contract; and
- (e) all documentation related to Funded Equity Release Advances;

and any other agreements specified to be assigned under clause 3.2 (Assignments) of the Deed, and any agreement otherwise designated as a **Relevant Agreement** by the Security Trustee and relevant Chargor in writing (as each term is defined in the Facility Agreement).

"Relevant Policies" means all Insurance Policies (other than policies in respect of third party liability) together with all monies payable in respect of those policies.

"Security" means a mortgage, charge (fixed or floating), pledge, lien or other arrangement or interest (whether by way of assignment, trust, title retention or otherwise) securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Secured Assets" means, in respect of any Chargor, all of its assets and undertaking the subject of any Security created by, under or supplemental to, the Deed in favour of the Security Trustee.

"Secured Property" means at any time the Properties (as defined in the Facility Agreement) and all other freehold, leasehold or commonhold property which is subject to any Security created by, under or supplemental to the Deed.

"Subsidiary Shares" means, in respect of a Chargor, all shares present and future held by it in its Subsidiaries or any other any Group Companies (including those listed in schedule 3 (Subsidiary Shares) of the Deed).

"Sovereign Shares" means 560,000 ordinary shares of £0.50 each and any future shares issued from time to time.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

**COMPANY NO. 6037454
CHARGE NO. 1**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEBENTURE DATED 20 AUGUST
2009 AND CREATED BY MILTON HOMES LIMITED FOR
SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE
COMPANY TO THE ROYAL BANK OF SCOTLAND 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 1 SEPTEMBER
2009

GIVEN AT COMPANIES HOUSE, CARDIFF THE 2 SEPTEMBER
2009



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

