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\*insert full name  
of company

**COMPANIES FORM No. 395**

**Particulars of a mortgage or charge**

**395**

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number



2366852

Name of company

\* London Electricity PLC (the "Chargor")

Date of creation of the charge

17th February 1999

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

Charge over shares (the "Charge ") dated 17th February 1999 and made between the Chargor (1) and The Secretary of State for the Environment, Transport and the Regions (the "Secretary of State") (2).

Amount secured by the mortgage or charge

See Rider 1.

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

The Secretary of State for the Environment, Transport and the Regions  
Eland House  
London SW1E 5DU

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

Cameron McKenna  
Mitre House  
160 Aldersgate Street  
London  
EC1A 4DD

JCD/TJD/ASI/044199/00045

Time critical reference

For official use  
Mortgage Section



Short particulars of all the property mortgaged or charged

See Rider 2.

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Particulars as to commission allowance or discount (note 3)

None

Signed

*Cavan McKenna*

Date 23rd February 1999

On behalf of [company] [mortgagee/chargee] <sup>†</sup>

<sup>†</sup> 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.

#### Rider 1 - Amount Secured

The Chargor covenants with the Secretary of State under the Charge that it will in accordance with the provisions of a deed of covenant dated the date of the Charge and made between the Chargor (1) and the Secretary of State (2) (the "Deed of Covenant" which expression shall include the Deed of Covenant as the same may howsoever, from time to time, be varied, amended, supplemented, substituted, novated or assigned) and Articles of Association of London & Continental Railways Limited (registered in England under No. 2966054) ("LCR") (the "Articles"):

1. perform and discharge its obligations under and in accordance with Article 10 of the Articles and Clause 8 of the Deed of Covenant to transfer the 504,970 ordinary shares of 25 pence each which it holds in the share capital of LCR (the "Shares") and pay to the Secretary of State that portion of the Special Shareholder Arrangement Remuneration (as defined in the Articles) or Secretary of State Arrangement Remuneration (as defined in the Deed of Covenant) which is due, owing or incurred (whether actually or contingently) under Article 10 of the Articles and/or Clause 8 of the Deed of Covenant;
2. perform and discharge its obligations under and in accordance with Article 9.2 (C) of the Articles and Clause 7.3 of the Deed of Covenant to transfer the Shares;
3. pay all costs (including legal costs), charges, expenses and damages sustained or incurred by the Secretary of State in connection with the enforcement, defence or protection of the security constituted by the Charge or the pursuit of any rights therein contained or under or in connection with the Deed of Covenant, Articles, the Charge, all the shares, stocks, securities, documents, instruments, rights, benefits, accretions, moneys, advantages and property referred to in paragraph (A)(2) of Rider 2 below and any other shares, stocks, securities or property for the time being or at any time representing the same or acquired in respect thereof together with all accretions to the same (the "Securities") or any calls or other payments relating to the Securities in each case on a full indemnity basis; and
4. pay interest on and in respect of any amounts due under the foregoing from day to day from the date on which the Charge becomes enforceable until full discharge (whether before or after judgment, liquidation, winding-up or administration of the Chargor) at the rate of two per cent. per annum over the base rate from time to time of Midland Bank plc.

## Rider 2 - Particulars of the Property Charged

- A) As a continuing security for all the respective liabilities and obligations described in Rider 1 above charges to the Secretary of State by way of first fixed charge:
1. the Shares or the certificates or other documents for which are now or hereafter lodged with or held by the Secretary of State or on its behalf and any proceeds of sale arising therefrom; and
  2. all accretions, allotments, offers, rights, benefits, moneys, securities, property or other advantages accruing, issued or offered in respect of or deriving from any of the securities referred to in paragraph 1 above at any time, whether by way of reorganisation, merger, amalgamation, reconstruction, rights, bonus, capitalisation of loan, profits or reserves, substitution, conversion, exchange, preference, pre-emption, option, redemption or otherwise howsoever.
- B) The Chargor covenants with the Secretary of State that during the continuance of the security created by the Charge the Chargor will at all times:
1. deposit with the Secretary of State (unless the Secretary of State shall otherwise agree) the Securities, free from any option, lien, charge or encumbrance of any kind (other than in favour of the Secretary of State and any lien of the issuer of these Securities) in respect of which it shall lodge (a) all stock and share certificates and documents of title, (b) executed but undated transfers of the Securities as the Secretary of State may direct and (c) such other documents as the Secretary of State may from time to time require for perfecting its title to the Securities (duly executed by or signed on behalf of the registered holder) or for vesting or enabling it to vest the same in itself or its nominees or in any purchaser to the intent that the Secretary of State may at any time without notice present them for registration;
  2. duly discharge all liabilities and duly and promptly pay all calls, instalments or other payments which may be made or become due in respect of any of the Securities as and when the same from time to time become due;
  3. not, otherwise than in accordance with the Charge (without the prior consent in writing of the Secretary of State):
    - a) permit any person other than the Chargor, the Secretary of State (or its nominee) to be registered as holder of the Securities or any part thereof; or
    - b) create or purport to create or permit to subsist any any mortgage, charge, hypothecation, pledge, lien, encumbrance, trust arrangement, contractual arrangement having the effect of security, conditional sale or other title retention agreement or other security

interest whatsoever, howsoever created or arising ("Security Interest") (other than in favour of the Secretary of State) on or over the Securities or any part thereof or interest therein or right in respect thereof or enter into any agreement to grant or create such a Security Interest; or

- c) sell, transfer or otherwise dispose of the Securities or any part thereof or interest therein or right in respect thereof or attempt or agree so to do; and
4. save to the extent necessary to protect its legitimate contractual rights against LCR, not do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value to the Secretary of State of the Securities including, without limitation, disposing or dealing with its beneficial interest in the Securities.

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## CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 02366852

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A CHARGE OVER SHARES DATED THE 17th FEBRUARY 1999 AND CREATED BY LONDON ELECTRICITY PLC FOR SECURING ALL OBLIGATIONS AND LIABILITIES DUE FROM THE COMPANY TO THE SECRETARY OF STATE FOR THE ENVIRONMENT, TRANSPORT AND THE REGIONS IN ACCORDANCE WITH THE PROVISIONS OF THE DEED OF COVENANT AND THE ARTICLES (AS DEFINED IN THE CHARGE OVER SHARES) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 24th FEBRUARY 1999.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 26th FEBRUARY 1999.

A handwritten signature in dark ink, appearing to read 'A. J. Wakeham', written over the printed name.

A. J. WAKEHAM

for the Registrar of Companies



C O M P A N I E S H O U S E