

# M

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.

CHFP025

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

5111

02462311

Name of company

\* Skelton Birmingham Ltd (the "Chargor")

Date of creation of the charge

28 July 2006

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

Debenture between (1) the Chargor and others as chargors and (2) the Security Trustee (as defined below) dated 28 July 2006 (the "Debenture")

Amount secured by the mortgage or charge

See Part I of the attached Schedule.

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

Capita IRG Trustees Limited, Phoenix House, 18 King William Street, London

Postcode EC4N 7HE

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

Mayer, Brown, Rowe & Maw LLP  
11 Pilgrim Street  
London  
EC4V 6RW

021203/05007534

Time critical reference

For official Use (06/2005)  
Mortgage Section

Post room



LD2  
COMPANIES HOUSE

\*LN2ASHUO\*

406  
11/08/2006

Short particulars of all the property mortgaged or charged

See Part II of the attached schedule. The charges created by the Debenture are qualified by the covenants set out in Part III of the attached schedule and should be read together.

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 Mayer Brown Rowe & Munn Date 10<sup>th</sup> August 2006

On behalf of ~~XXXXXX~~ [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

# **Skelton Birmingham Limited**

## **Schedule to Form 395**

**Certain terms used in this Schedule are defined in Part IV**

### **Part I**

#### **Amount secured by 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 the relevant Obligor to a Finance Party) due, owing or incurred by any Obligor to any Finance Party under the Finance Documents except for any obligation or liability which, if it were so included, would result in the Obligor concerned giving financial assistance which is unlawful under s151 Companies Act 1985 or an equivalent provision (the "**Secured Obligations**").

### **Part II**

#### **Short particulars of all the property mortgaged or charged**

##### **1. Mortgage**

The Chargor charges with full title guarantee in favour of the Security Trustee, as security for the payment and discharge of the Secured Obligations, by way of first legal mortgage:

- (a) all of its rights as at the date of the Debenture in the Mortgaged Property; and
- (b) all its present and future Investments in any Group Member.

##### **2. Assignment by way of Security**

To the extent not validly and effectively charged by way of first legal mortgage pursuant to Paragraph 1 (*Mortgage*) of this Part II, the Chargor assigns and agrees to assign absolutely with full title guarantee to the Security Trustee, as security for the payment and discharge of the Secured Obligations, the benefit of all of its rights in, to and under:

- (a) any deeds, licences, undertakings, guarantees, covenants, warranties, representations and other agreements and documents entered into by, given to or otherwise benefiting the Chargor in respect of any Real Property;
- (b) any licences in relation to any Real Property;
- (c) any Rental Income and the right to make demand for and receive the same;
- (d) any Insurance Policies and all proceeds paid or payable under them;
- (e) any credit balances on any bank accounts (including the Accounts) and the indebtedness represented by them;

- (f) any Hedge Documents and all proceeds paid or payable under them; and
- (g) the Vendor Documents.

### 3. **Fixed charges**

To the extent not validly and effectively charged by way of first legal mortgage pursuant to Paragraph 1 (*Mortgage*) of this Part II or effectively assigned pursuant to Paragraph 2 (*Assignment by way of Security*) of this Part II, the Chargor charges with full title guarantee in favour of the Security Trustee, with the payment and discharge of the Secured Obligations, by way of first fixed charge, its rights in, to and under:

- (a) any Real Property;
- (b) any credit balances on any accounts with any bank, building society, financial institution or other person and the indebtedness represented by them;
- (c) its goodwill and the uncalled share capital;
- (d) any recovery of VAT on any supplies made to it relating to the Charged Assets and any sums so recovered;
- (e) any book and other debts and monetary claims due or owing to it and all rights relating to such debts including all guarantees, Security or other remedies for or attaching to such debts;
- (f) the proceeds of any order of the court made pursuant to ss238(3), 239(3) or 244 Insolvency Act 1986 or any equivalent provisions of the laws of the British Virgin Islands;
- (g) any Investments; and
- (h) any other assets which are specified in Paragraph 2 (*Assignment by way of Security*) of this Part II.

### 4. **Real Property**

A reference in the Debenture to a mortgage, assignment or charge of any freehold, heritable or leasehold property includes all buildings and fixtures on that property, the proceeds of sale or other disposal of any part of that property, any licence, agreement for sale or agreement for lease in relation to that property and the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any monies paid or payable in respect of those covenants.

### 5. **Rights attaching to Investments**

- (a) Subject as provided in this Paragraph 5, all powers and other rights conferred by statute or otherwise upon an absolute owner of any Investment will be

exercised as the Chargor may direct. Such powers and other rights will not be exercised in any manner which is inconsistent with the Security intended to be conferred on the Security Trustee by the Debenture.

- (b) The Chargor shall not, without the prior written consent of the Security Trustee, permit or agree to any variation of the rights attaching to or conferred by any of its Investments, participate in any rights issue, elect to receive or vote in favour of receiving any dividends other than in the form of cash or participate in any vote concerning a members voluntary winding-up or a compromise or arrangement pursuant to s425 Companies Act 1985 or any equivalent provisions of the laws of the British Virgin Islands;
- (c) After the Debenture becomes enforceable in accordance with Clause 7 (*When enforceable*) of the Debenture (and without any consent or authority on the part of the Chargor), the Security Trustee and its nominee(s) may at the Security Trustee's discretion (in the name of the Chargor or otherwise) exercise or cause to be exercised in respect of any of the Investments any voting rights or rights to receive dividends, interest, principal or other payments of money, as the case may be, forming part of the Investments and all other powers and other rights conferred on or exercisable by the bearer or holder of such Investments.

#### 6. **Rights relating to accounts**

- (a) Any of the Security Trustee, the Agent and the Lenders may, at any time while an Event of Default is continuing, without prior notice to the Chargor, set off or apply any part of any of the Chargors' present and future accounts with any of them and the debts represented by those accounts in or towards satisfaction of all or any part of the Secured Obligations whether or not such Secured Obligations are due and payable.
- (b) Except with the Security Trustee's prior consent and subject to Paragraph 5(c) of this Schedule, the Chargor's present and future accounts with the Security Trustee and/or the Agent and/or the Lenders will be maintained on terms that they shall mature on the earlier of:
  - (i) the date the Secured Obligations have fully and irrevocably been paid or discharged and the Commitments of each Lender reduced to nil; and
  - (ii) the date an Event of Default occurs,so that, on and after such date, any of the Security Trustee, the Agent and the Lenders may exercise any such rights of set-off, combination or consolidation in relation to the Chargor's present and future accounts with the Security Trustee and/or the Agent and/or the Lenders.
- (c) If any Advance or accrued interest or other sums become due and payable and have not been paid on the due date thereof (after taking into account any applicable grace period), then only so much on deposit in the Chargor's present and future accounts with the Security Trustee shall mature as equals the amount which is due and payable and not paid in full.

- (d) Any agreement that any part of the Chargor's present and future accounts with any Finance Party be held on fixed time deposit shall be for the calculation and payment of interest only and shall not prejudice, or delay the exercise of, that Finance Party's rights under this Paragraph 6.

**7. Floating charge**

- (a) The Chargor with full title guarantee charges in favour of the Security Trustee, as security for the payment and discharge of the Secured Obligations, by way of first floating charge all of its present and future assets and undertaking other than those assets validly and effectively mortgaged, assigned or charged as referred to in this Part II, both under the laws of England and Wales and also the jurisdiction in which each such asset is situated, by way of fixed Security in favour of the Security Trustee as security for the Secured Obligations.
- (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge referred to in Paragraph 5(a) of this Part II.

**8. Conversion of floating charge to fixed Security**

- (a) The Security Trustee may, at any time, while an Event of Default is continuing, by notice to the Chargor, convert the floating charge referred to in Paragraph 7 (*Floating charge*) of this Part II with immediate effect into a fixed charge as regards any asset of the Chargor the subject of such floating charge or such asset as specified in the notice.
- (b) In addition, without limiting any rule of law which may have a similar or analogous effect, the floating charge referred to in Paragraph 7 (*Floating charge*) of this Part II will automatically and without notice from the Security Trustee to the Chargor be converted with immediate effect into a fixed charge as regards all assets of the Chargor the subject of such floating charge upon:
  - (i) the occurrence of an Administration Event in relation to the Chargor;
  - (ii) the convening of a meeting for the passing of a resolution for the liquidation, winding up or dissolution of the Chargor; or
  - (iii) the presentation or making of an application for a warrant of execution, writ or fieri facias, garnishee order or charging order in respect of any of the Charged Assets of the Chargor.

**Part III**

**Covenants**

**1. Restrictions on dealings**

Except where agreed or consented to in writing by the Security Trustee, the Chargor shall not create or permit to subsist any Security on any part of the Charged Assets or dispose of or otherwise deal with any part of the Charged Assets.

## **2. Occupational Leases**

Without prejudice to the Borrowers' obligations under Clause 19.3 (*Occupational Leases*) of the Facility Agreement, no grant, agreement to grant or acceptance of a surrender of an Occupational Lease by either Borrower during the continuance of the Debenture shall have effect or force (by virtue of ss99 and 110 of Law of Property Act or otherwise) unless expressly permitted by the Facility Agreement.

## **3. Covenants, legal obligations and payments**

The Chargor shall:

- (a) observe and perform all covenants and other obligations and matters (whether or not contained in any agreement or other document) from time to time affecting any of the Charged Assets or their use or enjoyment, including those contained in any lease, underlease, tenancy or licence comprised in the Charged Assets, any Occupational Leases and other Assigned Documents and (if required by the Security Trustee) produce evidence to satisfy the Security Trustee that it is complying with this obligation;
- (b) promptly inform the Security Trustee if it becomes aware of any steps taken or proceedings commenced by any person with a view to obtaining forfeiture of or determining any lease, underlease, tenancy or licence comprised in the Charged Assets;
- (c) comply with all (and not permit any breach of any) bye-laws, other laws and regulations (whether relating to planning, building or any other matter) affecting any of the Charged Assets; and
- (d) pay (or procure the payment of) all rents, rates, taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable (whether by the owner or the occupier) in respect of any of the Charged Assets.

## **4. Power of attorney**

The Chargor by way of security irrevocably appoints the Security Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on the Chargor by the Debenture (including the execution and delivery of any deeds, charges, security interests, assignments or other security and any transfers of the Charged Assets); and
- (b) enabling the Security Trustee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers, authorities and other rights conferred on them by or pursuant to the Debenture or by law (including, after the

occurrence of an Event of Default, the exercise of any right of a legal or beneficial owner of the Charged Assets).

**5. Appointment and removal of Receivers**

- (a) At any time after having been requested to do so by the Chargor or after the Debenture becomes enforceable in accordance with Clause 8 (*When enforceable*) of the Debenture, the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee), without prior notice to the Chargor:
  - (i) appoint one or more persons to be an administrator of the Chargor;
  - (ii) appoint one or more persons to be a receiver or receiver and manager of the whole or any part of the Charged Assets;
  - (iii) appoint two or more persons each to be a receiver or receiver and manager of a separate part of the Charged Assets;
  - (iv) remove (so far as it is lawfully able) any administrator or Receiver so appointed; and
  - (v) appoint another person(s) as an additional or replacement administrator or Receiver(s).
- (b) Each person appointed to be a Receiver pursuant to this paragraph will be:
  - (i) entitled to act individually or together with any other person appointed or substituted as Receiver;
  - (ii) for all purposes deemed to be the agent of the Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Trustee; and
  - (iii) entitled to remuneration for his services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

**6. Perfection of security**

The Chargor will promptly do all such acts or execute all such documents (including further 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) to:

- (a) perfect or protect the Security created or intended to be created in respect of the Charged Assets (which may include the execution by the Chargor of a mortgage, charge, security interest or assignment over all or any of the assets constituting, or intended to constitute, the Charged Assets) or for the exercise of the powers, remedies and other rights of the Security Trustee provided by or pursuant to the Debenture or by law;



- (b) confer on the Security Trustee security over any property or other assets of that Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be conferred by or pursuant to the Debenture; or
- (c) facilitate the realisation of the Charged Assets.

The covenant set out in s2(1)(b) Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in this paragraph 6.

## **Part IV**

### **Definitions**

**"Accounts"** means each and all of the Escrow Account and the Reserve Account;

**"Administration Event"** means:

- (a) the presentation of an application or petition to the court for the making of an administration order in relation to the Chargor; or
- (b) any person (who is entitled to do so) giving notice of its intention to appoint an administrator to the Chargor or filing such a notice with the court;

**"Advance"** means the principal amount borrowed or to be borrowed under the Facility Agreement or the principal amount of that borrowing outstanding under the Facility Agreement from time to time;

**"Agent"** means Merrill Lynch International in its capacity as agent of the Facility;

**"Agreed Terms"** means in relation to any document the terms agreed by, and initialled for the purpose of identification as a Finance Document by or on behalf of, the Agent and the Borrowers, as amended from time to time with the consent of the Borrowers and the Agent in writing and in the absence of any such terms having been so agreed and initialled, in form and substance satisfactory to the Agent;

**"Agreement for Lease"** means the agreement for lease dated 25 April 2006 between the Borrowers and the Tenant relating to carrying out of the Development and the demise of the Premises to the Tenant.

**"Arranger"** means Merrill Lynch International in its capacity as arranger of the Facility;

**"Assigned Documents"** means the documents the rights under which are assigned pursuant to Paragraph 2 (*Assignment by way of Security*) of Part II of this Schedule;

**"Borrowers"** means the Ainsford and Alegrove Ltd and **"Borrower"** means either of them;

**"Car Park Lease"** means the lease of the car park of the Property dated 29 November 2003 and made between the Vendor and the AWG Property Limited (as varied by a deed of variation dated on or about the date of the Facility Agreement);

**"Charged Assets"** means the undertaking and other assets of the Chargor from time to time charged or assigned by way of fixed and floating Security to which the Chargor is a party as security for the payment or discharge of all or any of the Secured Obligations;

**"Commitment"** means in relation to a Lender the amount set opposite its name in Schedule 1 (*The Lenders*) of the Facility Agreement (and/or, as the case may be, the amount specified as the portion transferred in the Transfer Certificate pursuant to which such Lender increased its Commitment or became a party to the Facility Agreement) as the same may at any time be cancelled or reduced in accordance with the Facility Agreement;

**"Development"** means the proposed development of the Premises by the Tenant on the terms of the Development Documents;

**"Development Documents"** means:

- (a) the Agreement for Lease;
- (b) any building contract entered into by the Tenant relating to the undertaking of the Development;
- (c) each agreement relating to the appointment of each member of the Professional Team; and
- (d) the Specifications.

**"Drawdown Notice"** means a notice in writing substantially in the form of Schedule 4 (*Drawdown Notice*) to the Facility Agreement;

**"Escrow Account"** means the account maintained by the Borrowers in accordance with Clause 17.1(a) (*Designation of Accounts*) of the Facility Agreement and the Agreement for Lease and includes their interest in any replacement account or sub-division or sub-account of that account;

**"Event of Default"** means any of those events specified in Clause 20.1 (*Events of Default*) of the Facility Agreement;

**"Facility"** means the maximum £3,500,000 (five million five hundred thousand pounds sterling) secured term loan facility granted to the Borrowers by the Lenders under the Facility Agreement;

**"Facility Agreement"** means a facility agreement dated 26 July 2006 and made between (1) Ainsford Ltd, Alegrove Ltd, Sphere Properties Limited, the Chargor and Artcroft Ltd, (2) the Lenders, (3) the Agent and Arranger and (4) the Security Trustee and any letter, agreement, charge, deed or other instrument entered into under or supplemental to it;

**"Fees Letter"** the letter dated on or about the date of the Facility Agreement from the Agent to the Borrowers and countersigned by the Borrowers setting out fees payable by the Borrowers to the Arranger and the Agent;

**"Finance Document"** means each of:

- (a) the Facility Agreement;
- (b) the Debenture;
- (c) the Share Charges;
- (d) any Subordination Agreement
- (e) the Intercreditor Deed;
- (f) any Transfer Certificate;
- (g) any Hedge Document;
- (h) the Drawdown Notice;
- (i) the Fees Letter;
- (j) any other document from time to time creating, evidencing or entered into as security for, or supporting, any of the Secured Obligations;
- (k) any document entered into pursuant to, or which amends or varies, any document referred to in paragraph (a) – (k) (inclusive) above; and
- (l) any other document designated as such in writing by either the Agent or the Security Trustee of the one part and the Borrowers of the other;

**"Finance Parties"** means the Agent, the Arranger, the Security Trustee and the Lenders and each of their respective successors and assigns and **"Finance Party"** means any of them;

**"Group Member"** means the Obligors and any affiliate of any of them from time to time which has an obligation to any of the Finance Parties or any affiliate of the Finance Parties in relation to the Secured Obligations;

**"Guarantor"** means AWG Group Limited (registered number 02366618) whose registered office is at Anglian House, Ambury Road, Huntingdon, Cambs. PE29 3NZ;

**"Hedge Document"** means any interest rate swap, cap, floor, collar or option transaction or any other treasury transaction or any combination of the same or any other transaction or deemed transaction (including book entries entered) in connection with protection against or benefit from fluctuation in interest rates including any indemnity or other transactions entered, or deemed entered, into by any Finance Party to make the Advance available at a fixed rate of interest and includes all related documentation;

**"Insurance Policy"** means any policy of insurance or assurance in which an Obligor may at any time have an interest entered into in accordance with Clause 19.6 (*Insurance*) of the Facility Agreement;

**"Intercreditor Deed"** means an intercreditor deed entered into in the Agreed Terms between, amongst others, the Vendor, the Security Trustee and the Obligors;

**"Investment"** means any stock, share, debenture or other security;

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

**"Lenders"** means Merrill Lynch Commercial Finance Corp. (and any Transferee which becomes a party to the Facility Agreement pursuant to a Transfer Certificate) and each of their respective permitted successors and assigns and **"Lender"** means any one of them;

**"Mortgaged Property"** means the freehold property known as Broadway Plaza, Ladywood, Middleway, Birmingham, registered at Land Registry with title absolute under title number WM657963;

**"Obligors"** means the Borrowers and the Shareholders and **"Obligor"** means any of them;

**"Occupational Lease"** means any Lease to which the Property is subject from time to time;

**"Overage Deed"** means the deed dated on or about the date of this Agreement between the Vendor and the Borrowers relating to certain payments to be made by the Borrowers to the Vendor;

**"Park Lane Share Charge"** means the share charge to be granted by Mr Joshua Halpern and Mr Samuel Halpern in the Agreed Terms in respect of their shares in Artcroft Ltd in favour of the Security Trustee;

**"Professional Team"** has the meaning given to that term in the Facility Agreement;

**"Purchase Agreement"** means an agreement dated 16 March 2005 between the Vendor and the Borrowers for the purchase by the Borrowers of the Mortgaged Property;

**"Real Property"** means the Mortgaged Property and any present or future freehold, heritable or leasehold property in which the Chargor holds any rights, in each case including as provided in Paragraph 4 (*Real Property*) of Part II of this Schedule;

**"Receiver"** means a receiver or receiver and manager appointed (whether alone or jointly with others) pursuant to the Debenture by the Security Trustee;

**"Rental Income"** means all sums paid or payable to or for the benefit of an Obligor arising from the letting use or occupation of the Mortgaged Property, including (but without double counting):

- (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) proceeds of insurance in respect of loss of rent;
- (d) receipts from or the value of consideration given for the surrender or variation of any letting;
- (e) proceeds paid by way of reimbursement of Service Charge Expenses;
- (f) proceeds paid for a breach of covenant under any Occupational Lease and for expenses incurred in relation to any such breach;
- (g) any contribution to a sinking fund paid by an occupational tenant;
- (h) any payment from a guarantor or other surety in respect of any of the items listed in this definition;
- (i) interest, damages or compensation in respect of any of the items in this definition; and
- (j) any VAT on any sum mentioned in this definition;

**"Rental Income Guarantee"** means the guarantee dated on or about the date of the Facility Agreement between the Borrowers, the Vendor and the Guarantor;

**"Reserve Account"** means the account maintained by the Borrowers in accordance with Clause 17.1(b) (*Designation of Accounts*) of the Facility Agreement and includes their interest in any replacement account or sub-division or sub-account of that account;

**"Security"** means any mortgage, standard security, pledge, lien, charge, security assignment, hypothecation, security interest or any other agreement or arrangement (such as sale or lease and leaseback, a blocked account, set-off or similar "flawed asset" arrangement) having a commercial effect analogous to the conferring of security;

**"Service Charge Deed"** means the guarantee dated on or about the date of this Agreement between the Borrowers, the Vendor and the Guarantor relating to service charge shortfall;

**"Service Charge Expenses"** means expenses incurred or to be incurred by or on behalf of the Borrowers in the management, maintenance and repair of, or the provision of services specified in any Occupational Lease in respect of, the Mortgaged Property and the payment of insurance premiums for the Mortgaged Property;

**"Share Charges"** means the Park Lane Share Charge, the Skelton Share Charge and the Stenham Share Charge;

**"Shareholders"** means Artcroft Ltd, Sphere Properties Limited and the Chargor and  
**"Shareholder"** means any of them;

**"Skelton Share Charge"** means the share charge to be granted by Skelton Group Limited (registered number 03194228) in the Agreed Terms in respect of its shares in the Chargor (registered number 02462311) in favour of the Security Trustee;

**"Specifications"** means the plans and specifications for the Development agreed between the Borrowers and the Tenant in accordance with the Agreement for Lease;

**"Stenham Share Charge"** means the share charge to be granted by Briarwood Property Company Limited (registered in the British Virgin Islands with registered number 621012) in the Agreed Terms in respect of its shares in Sphere Properties Limited (registered in the British Virgin Islands with registered number 642510) in favour of the Security Trustee;

**"Subordination Agreement"** means an agreement entered into in the Agreed Terms by the providers of any subordinated debt to the Borrowers, subordinating the same to the Borrowers' obligations to the Finance Parties;

**"Tenant"** means Travelodge Hotels Limited (registered number 00769170);

**"Transfer Certificate"** means a certificate substantially in the form set out in Schedule 6 (*Form of Transfer Certificate*) to the Facility Agreement completed in accordance with Clause 29 (*Changes to the Lenders*) to the Facility Agreement;

**"Transferee"** means a bank or other institution to which a Lender seeks to transfer rights and obligations under the Facility Agreement in accordance with Clause 29 (*Changes to the Lenders*) of the Facility Agreement;

**"VAT"** means value added, or any other form of goods and services, tax;

**"Vendor"** means Broadway Plaza (Birmingham Children's Hospital) Limited;

**"Vendor Documents"** means the Purchase Agreement, the Car Park Lease, the Rental Income Guarantee, the Overage Deed, the Service Charge Deed and the Vendor Legal Charge and the deed of variation of the Car Park Lease dated on or about the date of the Facility Agreement; and

**"Vendor Legal Charge"** means the legal charge dated on or about the date of the Facility Agreement and executed by the Borrowers in favour of the Vendor.

FILE COPY



## CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 02462311

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 28th JULY 2006 AND CREATED BY SKELTON BIRMINGHAM LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM ANY OBLIGOR TO ANY FINANCE PARTY 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 11th AUGUST 2006.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 16th AUGUST 2006.

P. G.



*Companies House*

— for the record —



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES