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CHFP025

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legibly, preferably  
in black type, or  
bold block lettering

\*Insert full name  
of Company

COMPANIES FORM No. 395

AC 00400041

## 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 2006

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

31 MAY 2006

For official use

Company number

03087587

Name of company

\* Virgin Money Holdings (UK) Limited (the "Company")

Date of creation of the charge

22 May 2006

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

A Debenture dated 22 May 2006 and made between the Company, Virgin Money Limited, Virgin Money Management Services Limited and Lloyds TSB Bank plc as trustee for the Finance Parties (the "Security Trustee") (the "Debenture").

Amount secured by the mortgage or charge

See Rider 1

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

Lloyds TSB Bank plc of 25 Gresham Street, London as trustee for the Finance Parties

Postcode EC2V 7HN

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

CMS Cameron McKenna LLP  
Mitre House  
160 Aldersgate Street  
London  
EC1A 4DD  
RLS/JNDI/102826.00215

Time critical reference

For official Use (06/2005)

Mortgage Section

Post room

LD3  
COMPANIES HOUSE152  
31/05/2006

Please return via  
CH London Counter

Short particulars of all the property mortgaged or charged

Sée Rider 2

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

Particulars as to commission allowance or discount (note 3)

Nil

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

Signed CMS CAMERON MCKENNA LLP Date 30 / 05 / 06

On behalf of ~~XXXXXXXX~~ [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 must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

## RIDERS TO FORM 395

**Company:** Virgin Money Holdings (UK) Limited

**Company No:** 03087587

### **Rider 1**

#### **Amount secured by mortgage or charge**

All present and future indebtedness, monies, obligations and liabilities of each Chargor to the Finance Parties under the Finance Documents (including the Debenture), in whatever currency denominated, whether actual or contingent and whether owed jointly or severally or as principal or as surety or in some other capacity, including any liability in respect of any further advances made under the Finance Documents, together with all Expenses and all interest under Clause 2.2 of the Debenture (the **"Secured Liabilities"**).

**Company:** Virgin Money Holdings (UK) Limited

**Company No:** 03087587

**Rider 2**

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

**1. Fixed Security**

***Charges***

- 1.2 The Company, as security for the payment, performance and discharge of all the Secured Liabilities, charged in favour of the Security Trustee (as trustee for the Finance Parties) by way of a first legal mortgage all of the Company's right, title and interest in and to the freehold, commonhold and leasehold property (other than Short Term Leases) now vested in it (including, but not limited to, the freehold, commonhold and leasehold property (if any) specified in Schedule 2 (*Real Property*) of the Debenture), subject in the case of leasehold property to any necessary third party consents to such mortgage being obtained.
- 1.3 Subject to Clause 5 of the Debenture (as set out at paragraph 3 below), the Company, as security for the payment, performance and discharge of all the Secured Liabilities, charged in favour of the Security Trustee (as trustee for the Finance Parties) by way of first fixed charge all of the Company's right, title and interest in and to the following assets, both present and future:
- 1.3.1 ***Other real property*** - all estates or interests in any freehold, commonhold or leasehold property (other than such property effectively mortgaged under paragraph 1.2 above and Short Term Leases) subject in the case of leasehold property to any necessary third party consents to such charge being obtained;
- 1.3.2 ***Licences on land*** - all licences held by it to enter upon or use land and/or to carry on the business carried on upon that land and all agreements relating to land to which it is a party or otherwise entitled;
- 1.3.3 ***Rights as tenant*** - where any Mortgaged Property is leasehold property, any right or interest arising by virtue of any enfranchising legislation (including, but not limited to, the Leasehold Reform Act 1967 and the Leasehold Reform Housing and Urban Development Act 1993 but excluding Part II of the Landlord and Tenant Act 1954) which confers upon a tenant of property whether individually or collectively with other tenants of that or other properties the right to acquire a new lease of that property or to acquire, or require the acquisition by a nominee of, the freehold or any intermediate reversionary interest in that property;
- 1.3.4 ***Rental income*** - any amounts owing to it by way of rent, licence fee, service charge, dilapidations, ground rent and/or rent charge in respect of any Mortgaged Property or Premises;
- 1.3.5 ***Fixed or other plant and machinery*** - all fixed and other plant and machinery, computers, vehicles, office equipment and other chattels in its ownership or possession (but excluding any of those items to the extent that they are part of its stock in trade);

- 1.3.6 **Insurances** - all Insurances, including all claims, the proceeds of all claims and all returns of premium in connection with Insurances;
- 1.3.7 **Book debts** – to the extent permitted under the terms applicable thereto, all book debts and all other debts or monetary claims (including all choses in action which may give rise to a debt or monetary claim), all proceeds thereof and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same;
- 1.3.8 **Bank accounts and deposits** - all moneys from time to time deposited in or standing to the credit of any bank account with the Security Trustee or any other bank or financial institution (including, without limitation, any rent deposit given to secure liabilities in relation to land and any retention or similar sum arising out of a construction contract or any other contract (and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same))
- 1.3.9 **Securities** - all Securities (other than any Securities legally or beneficially owned by or on behalf of the relevant Chargor (a) in a Dormant Subsidiary and/or (b) in a joint venture, to the extent any applicable agreement contains restrictions on the granting of security over such Securities) and their Related Rights;
- 1.3.10 **Goodwill and uncalled capital** – all of its goodwill and uncalled capital;
- 1.3.11 **Business licences** – to the extent permitted under the terms thereof, all licences, consents and authorisations (statutory or otherwise) held in connection with its business or the use of any Security Asset and the right to recover and receive all compensation which may be payable in respect of them;
- 1.3.12 **Contracts** – the Specified Contract, together with (to the extent permitted under the terms thereof):
- (a) all contracts, guarantees, appointments, warranties and other documents to which it is a party or in its favour or of which it has the benefit relating to any letting, development, sale, purchase or the operation of any Mortgaged Property or Premises;
  - (b) all agreements entered into by it or of which it has the benefit under which credit of any amount is provided to any person;
  - (c) all contracts for the supply of goods and/or services by or to it or of which it has the benefit (including, without limitation, any contracts of hire or lease of chattels); and
  - (d) any currency or interest swap or any other interest or currency protection, hedging or financial futures transaction or arrangement entered into by it or of which it has the benefit (whether entered into with any of the Finance Parties or any other person),

including, in each case, but without limitation, the right to demand and receive all moneys whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all

other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them.

## **2. Floating Charge**

### ***Creation of Floating Charge***

- 2.1 Subject to Clause 5 of the Debenture (as set out at paragraph 3 below), the Company, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Security Trustee (as trustee for the Finance Parties) by way of a first floating charge all of the Company's undertaking and all its other property, assets and rights whatsoever, all the stock in trade of the Company and the property, assets and rights not otherwise validly and effectively mortgaged or charged (whether at law or in equity) by way of fixed security pursuant to Clause 3 (*Fixed Security*) of the Debenture (as set out in paragraph 1).
- 2.2 The provisions of paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created pursuant to Clause 4.1 of the Debenture (as set out in paragraph 2.1 above).

## **3. Excluded Assets**

Nothing in the Debenture is intended to or shall operate to create Security over any Intellectual Property (including the Trademark Licence Agreements and the rights of any Chargor thereunder) of any Chargor or the rights of any Chargor under or in respect of any Material Contract or the Rent Deposit Deed (together with the deposit thereunder as referred to and permitted by clause 22.6.2 (*Negative pledge*) of the Facility Agreement) and the terms of the Debenture shall be construed accordingly.

### **Notes:**

#### **A. Restrictions on Dealing / Negative Pledge**

##### ***Negative Pledge***

- 1.1 The Company shall not create or extend or permit to arise or subsist any Security interest over the whole or any part of the Security Assets, except as expressly permitted by the terms of the Facility Agreement or with the prior written consent of the Security Trustee.

##### ***Restriction on Disposals***

- 1.2 The Company shall not (or shall not agree to) sell, factor, discount, transfer, assign, lease or otherwise dispose of the whole or any part of the Security Assets (whether in a single transaction or in a series of transactions whether related or not), except:
- 1.2.1 for any disposal in the ordinary course of trading of any Security Asset which is subject only to the floating charge created by Clause 2.1 (*Creation of Floating Charge*) of the Debenture; or
- 1.2.2 as otherwise expressly permitted by the terms of the Debenture or the other Finance Documents.

## B. Definitions

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

**"Additional Chargor"**: a member of the Group which becomes a Chargor pursuant to Clause 24 (*Admission of Additional Chargors*) of the Debenture;

**"Ancillary Document"**: means each document relating to or evidencing the terms of an Ancillary Facility (as defined in the Facility Agreement);

**"Chargor"**: the Company, Virgin Money Limited, Virgin Money Management Services Limited and each Additional Chargor;

**"Delegate"**: any person appointed by the Security Trustee or any Receiver pursuant to Clause 13.2 (*Delegation*) of the Debenture and any person appointed as attorney of the Security Trustee and/or any Receiver or Delegate;

**"Dormant Subsidiary"** means a member of the Group which does not trade (for itself or as agent for any person) and does not own, legally or beneficially, assets (including, without limitation, indebtedness owed to it) which in aggregate have a value of £50,000 or more or its equivalent in other currencies provided that Challenger (Norwich) Limited shall constitute a Dormant Subsidiary notwithstanding that it may be entitled to receive sums in excess of £50,000 from Virgin Money Limited in connection with VAT proceedings against HM Customs and Excise;

**"Event of Default"**: means any event or circumstance specified as such in Clause 23 (*Events of Default*) of the Facility Agreement;

**"Expenses"**: all reasonable costs (including legal fees), charges, expenses and damages sustained or properly incurred by the Security Trustee or any Receiver or Delegate at any time in connection with the Security Assets or the Secured Liabilities or in taking, holding or perfecting the Debenture or in protecting, preserving, defending or enforcing the security constituted by the Debenture and/or in exercising any rights, powers or remedies provided by or pursuant to the Debenture (including any right or power to make payments on behalf of any Chargor under the terms of the Debenture) or by law in each case on a full indemnity basis;

**"Facility Agreement"**: the facility agreement dated 22 May 2006 and made between (1) the Company (2) the subsidiaries of the Company named therein as Original Borrowers (3) the subsidiaries of the Company named therein as Original Guarantors (4) Lloyds TSB Bank plc as Arranger (5) Lloyds TSB Bank plc as Original Lender (6) Lloyds TSB Bank plc as Agent and (7) Lloyds TSB Bank plc as Security Trustee under which, the Lenders (as defined in the Facility Agreement) agreed to make revolving loan and term loan facilities available to the Borrowers (as defined in the Facility Agreement) on the terms and subject to the conditions therein contained and the other Finance Documents;

**"Fee Letter"**: means:

- (a) any letter or letters dated 22 May 2006 between the Arranger and the Company (or the Agent and the Company) setting out any of the fees referred to in Clause 12 (*Fees*) of the Facility Agreement; and
- (b) any agreement setting out fees payable to a Finance Party referred to in Clause 12.5 (*Interest, commission and fees on Ancillary Facilities*) of the Facility Agreement or under any other Finance Document;

**"Finance Document"**: means the Facility Agreement, the Security Documents, the Subordination Agreement, the Tripartite Agreement, any Hedging Agreement, the Mandate Letter, the Syndication Letter, any Ancillary Document, any Fee Letter, any Accession Letter, any Resignation Letter and any other document designated as such by the Agent and the Company;

**"Finance Party"**: means the Agent, the Arranger, Hedge Counterparty, the Security Trustee, any Ancillary Lender or a Lender;

**"Group"**: means the Company and its Subsidiaries for the time being;

**"Hedging Agreement"**: any master agreement, confirmation, schedule or other agreement in Agreed Form entered into or to be entered into by the Company and any Hedge Counterparty (as defined in the Facility Agreement) for the purpose of the Hedging Transaction (as defined in the Facility Agreement).

**"Insurances"**: contracts and policies of insurance or assurance (including, without limitation, life policies and the proceeds of them) from time to time taken out by or for the benefit of any Chargor and in which any Chargor from time to time has an interest, together with all bonuses and other moneys, benefits and advantages that may become payable or accrue under them or under any substituted policy;

**"Intellectual Property"**:

- all patents, trademarks, service marks, design rights and all other registered or unregistered intellectual property rights;
- any applications for intellectual property rights and the benefit of any priority dates attaching to such applications and all benefits deriving from intellectual property rights, including royalties, fees, profit sharing agreements and income from licences;
- all copyrights (including rights in software), source codes, brand names and other similar intellectual property rights; and
- all know-how, confidential information and trade secrets.

**"Mandate Letter"**: means the letter dated 3<sup>rd</sup> May 2006 between the Arranger, the Company and others;

**"Material Contracts"**: means each of the MBNA Services Agreement, the Scottish Widows Agreement, the Deposit Accounts Agreement, the Fund Management Agreement, the General Insurance Agreement and the IFDS Agreement (each as defined in the Facility Agreement) and any contract which replaces such agreements as is permitted by the terms



of the Facility Agreement and any other contract(s) designated as a **"Material Contract"** by the Company and the Agent, each acting reasonably;

**"Mortgaged Property"**: any freehold, commonhold or leasehold property the subject of the security constituted by the Debenture and references to any **"Mortgaged Property"** shall include references to the whole or any part or parts of it;

**"Premises"**: all buildings and erections from time to time situated on or forming part of any Mortgaged Property;

**"Receiver"**: a receiver or receiver and manager of the whole or any part or parts of the Security Assets;

**"Rent Deposit Deed"**: has the meaning given to it in clause 22.6.2 (*Negative Pledge*) of the Facility Agreement;

**"Related Rights"**: in relation to the Securities, all dividends, interest, benefits, property, rights, accretions, moneys, advantages, credits, rebates, refunds (including rebates and refunds in respect of any tax, duties, imposts or charges) and other distributions paid or payable in respect of the Securities, whether by way of bonus, capitalisation, conversion, preference, option, substitution, exchange, redemption or otherwise;

**"Resignation Letter"**: means a letter substantially in the form set out in Schedule 7 (*Form of Resignation Letter*) of the Facility Agreement;

**"Securities"**: all stocks, shares, loan notes, bonds, certificates of deposit, depository receipts, loan capital indebtedness, debentures or other securities from time to time legally or beneficially owned by or on behalf of any Chargor, including, without limitation, any of the same specified in Schedule 3 (*Specified Securities*) of the Debenture, together with all property and rights of any Chargor in respect of any account held by or for that Chargor as participant, or as beneficiary of a nominee or trustee participant, with any clearance or settlement system or depository or custodian or sub-custodian or broker in the United Kingdom or elsewhere;

**"Security"**: means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

**"Security Assets"**: all the assets of each Chargor which from time to time are the subject of any security created or expressed to be created in favour of the Security Trustee by or pursuant to the Debenture;

**"Security Documents"**: the Debenture together with any other document entered into by any Obligor (as defined in the Facility Agreement) creating or expressed to create any Security over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Finance Documents;

**"Short Term Leases"**: means any short term lease not required to be registered at HM Land Registry;

**"Specified Contracts"**: each of the contracts specified in Schedule 5 (*Specified Contracts*) of the Debenture;

**“Subordination Agreement”**: means the subordination agreement dated 22 May 2006 and made between the Company, the Security Trustee and the Agent and Virgin Management Limited.

**“Syndication Letter”**: means the letter dated 22 May 2006 and entered into between the Arranger and the Company; and

**“Tripartite Agreement”**: means an agreement dated 22 May 2006 between the Company, Lloyds TSB Bank plc as agent, Virgin Enterprises Limited, Virgin Money Unit Trust Managers Limited, Virgin Money Personal Financial Service Limited and Virgin Money Limited in relation to the Trademark Licence Agreements (as defined in the Facility Agreement).

**C. The properties specified in Schedule 2 (Real Property) of the Debenture are:**

None

**D. The Securities specified in Schedule 3 (Specified Securities) of the Debenture are:**

Name of Chargor	Details of company in which shares are held	Number of shares	Description of shares (class, par value etc)	Share certificate numbers
Virgin Money Holdings (UK) Limited	Virgin Money Management Services Limited	1,000,000	Ordinary £1	3
Virgin Money Holdings (UK) Limited	Virgin Money Limited	100	Ordinary £1	5
Virgin Money Holdings (UK) Limited	Virgin Money Personal Financial Service Limited	3,000,100	Ordinary £1	19
Virgin Money Holdings (UK) Limited	Virgin Money Unit Trust Managers Limited	500,000	Ordinary US \$0.001	1
Virgin Money Holdings (UK) Limited	Virgin Money Unit Trust Managers Limited	1,314,295	Ordinary £1	6

**E. The Specified Contracts specified in Schedule 5 (Specified Contracts) are:**

<b>Document</b>	<b>Date</b>	<b>Parties</b>
New Virgin Management Loan Agreement	On or about the date of the Debenture	(1) The Company and (2) Virgin Management Limited (Company No. 01568894)

**F.**

1. Any reference in the Debenture (and this form M395) to:
  - 1.1 “**Security Trustee**”, “**Arranger**”, “**Agent**”, “**Lenders**”, “**Finance Parties**” and “**Chargor**” shall be construed so as to include its or their successors, permitted transferees and permitted assigns, whether immediate or derivative, and, in the case of the Security Trustee, shall include any person for the time being appointed as Security Trustee or as an additional Security Trustee for the purpose of, and in accordance with, the Facility Agreement;
  - 1.2 a mortgage or charge of any asset shall be construed so as to include:
    - 1.2.1 the benefit of any covenants for title given or entered into by any predecessor in title of the Company in respect of that asset and all other rights, benefits, claims, contracts, warranties, remedies, security or indemnities in respect of that asset;
    - 1.2.2 the proceeds of sale of any part of that asset and any other moneys paid or payable in respect of or in connection with that asset; and
    - 1.2.3 in respect of any Mortgaged Property, all Premises and all fixtures and fittings (including trade fixtures and fittings and tenants’ fixtures and fittings) from time to time in or on that Mortgaged Property;
  - 1.3 any Finance Document or any other agreement or other document shall be construed as a reference to that Finance Document or that other agreement or document as the same may have been, or may from time to time be, restated, varied, amended, supplemented, substituted, novated or assigned, whether or not as a result of any of the same:
    - 1.3.1 there is an increase or decrease in any facility made available under that Finance Document or other agreement or document or an increase or decrease in the period for which any facility is available or in which it is repayable;
    - 1.3.2 any additional, further or substituted facility to or for such facility is provided;
    - 1.3.3 any rate of interest, commission or fees or relevant purpose is changed;
    - 1.3.4 the identity of the parties is changed;
    - 1.3.5 the identity of the providers of any security is changed;

- 1.3.6 there is an increased or additional liability on the part of any person; or
- 1.3.7 a new agreement is effectively created or deemed to be created.

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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. 03087587

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 22nd MAY 2006 AND CREATED BY VIRGIN MONEY HOLDINGS (UK) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM EACH CHARGOR TO THE FINANCE PARTIES 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 31st MAY 2006.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 2nd JUNE 2006.



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES



*Companies House*

— for the record —

*HC 026B*