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COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

Pursuant to section 395 of the Companies Act 1985

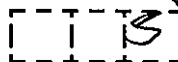
Please complete
legibly, preferably
in black type, or
bold block lettering

*insert full name
of company

To the Registrar of Companies

For official use

Company number



3462654

Name of company

* 552 Kings Road Limited (the "Chargor")

Date of creation of the charge

4 March 1998

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

Legal Mortgage (the "Mortgage")

Amount secured by the mortgage or charge

Please see schedule 1 attached

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

BHF-BANK AG (the "Agent")

BHF-BANK House

61 Queen Street, London

Postcode

EC4R 1AE

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

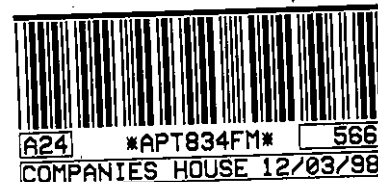
Taylor Joynson Garrett
Carmelite
50 Victoria Embankment
Blackfriars
London EC4Y 0DX

RJD/JMH/NZB

Time critical reference

For official use
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

Please see schedule 2 attached

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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

Signed Taylor Jayson Garrett

Date 11th March 1998

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

† delete as
appropriate

- 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.

SCHEDULE 1

Amount secured by the mortgage or charge

All or any of the present or future, actual or contingent obligations or liabilities of the Chargor owed or expressed to be owed to the Agent and/or the Beneficiaries under any Finance Documents (the "**Secured Obligations**").

Definitions:

"**Agreed Form**" means in respect of a Guarantee the form of such guarantee initialled as agreed by the solicitors to the Borrower, the Agent and the Vendor;

"**Bank**" means each bank or financial institution which is from time to time a party to the Loan Agreement and their successors, transferees and assigns (together the "**Banks**");

"**Beneficiaries**" means each of the Agent, the Banks and any Hedge Counterparty;

"**Borrowers**" means the First Borrower and the Second Borrower (each a "**Borrower**");

"**Completion Guarantee**" means the guarantee to be issued by the Agent as security for the Completion Payment at the request of the First Borrower which shall be in the Agreed Form or in such other form as may be required by the Vendor and agreed by the Agent and the First Borrower;

"**Completion Payment**" means the payment on completion of the purchase of the Property to be made in accordance with the Sale and Purchase Agreement;

"**Facilities**" means the First Facility and the Second Facility; (each a "**Facility**")

"**Fees Letter**" means the letter dated 24 December 1997 from the Agent to the Borrowers setting out the fees payable in connection with the Facilities;

"**Finance Documents**" means:

- (a) the Loan Agreement;
- (b) the Fees Letter;
- (c) any Transfer Certificate;
- (d) the Security Documents;
- (e) any Hedging Agreement;

and any other agreement, document or deed entered into or executed and delivered pursuant to the terms of the Loan Agreement, the Security Documents or in connection with the Loan Agreement and/or the Security Documents;

"Final Payment" means the payment to be made twelve months following the completion date in accordance with the Sale and Purchase Agreement;

"Final Payment Guarantee" means the guarantee to be issued by the Agent as security for the Final Payment at the request of the First Borrower which shall be in the Agreed Form or in such other form as may be required by the Vendor agreed by the Agent and the First Borrower;

"First Borrower" means the Chargor;

"First Facility" means the term loan and guarantee facility to be made available to the First Borrower the terms and conditions of which are set out in the Loan Agreement;

"First Loan" means at any time the principal amount outstanding in respect of the First Facility at such time (including any contingent liability under the Guarantees);

"Guarantee" means each of the Completion Guarantee and the Final Payment Guarantee (together the **"Guarantees"**);

"Hedge Counterparty" means the Agent in its capacity as counterparty to any Hedging Agreement with the Chargor;

"Hedging Agreement" means any agreement entered into by the Hedge Counterparty and either of the Borrowers the effect of which is or is intended to be to limit the net amount of interest payable by the relevant Borrower on the whole or any part of the First Loan or, as the case may be, the Second Loan (or any option which if exercised would have such effect);

"Loan Agreement" means an agreement dated 24 December 1997 made between the Chargor (1), European Land (Four Surplus Sites) Limited (2), the banks and financial institutions named therein (3) and the Agent (4) as varied and supplemented by a supplemental agreement dated 3 March 1998 made between the Chargor (1), European Land (Four Surplus Sites) Limited (2), the banks and financial institutions named therein (3) and the Agent (4);

"Property" means all that freehold property at 552 Kings Road, Chelsea, London SW10 as the same is registered at HM Land Registry with absolute title number NGL275020;

"Sale and Purchase Agreement" means the agreement to acquire the Property made between the Vendor (1) and the First Borrower (2) dated 24 December 1997 approved by the Agent;

"Second Borrower" means European Land (Four Surplus Sites) Limited (Company No 3426993) whose registered office is at 83 Clerkenwell Road, London EC1R 5AR;

"Second Facility" means the term loan facility to be made available to the Second Borrower the terms and conditions of which are set out in the Loan Agreement;

"Second Loan" means at any time the principal amount outstanding in respect of the Second Facility at such time;

"Security Documents" means any document including the Mortgage executed by the Chargor or any third party which grants security rights or rights by way of guarantee or indemnity in respect of the Secured Obligations;

"Transfer Certificate" means a certificate substantially in the form set out in schedule 6 of the Loan Agreement signed by a Bank, a Transferee and the Agent;

"Transferee" means a bank or other financial institution named as transferee in a Transfer Certificate; and

"Vendor" means Kings College, London.

SCHEDULE 2

Short particulars of all the property mortgaged or charged

As continuing security for the payment of the Secured Obligations the Chargor with full title guarantee:

- (a) charged to the Agent as trustee for the Beneficiaries by way of legal mortgage the Real Property;
- (b) to the extent not otherwise subject to any fixed security in favour of the Agent charged to the Agent as trustee for the Beneficiaries by way of first fixed charge its interest in any existing and future proceeds of any insurance of any Charged Property; and
- (c) assigned to the Agent as trustee for the Beneficiaries by way of first fixed charge any Rent and the benefit of any guarantee for the performance of payment of such Rent.

Definitions:

"Charged Property" means all property mortgaged, charged or assigned by the Mortgage;

"Real Property" means all that freehold property known as the Wandon Road Nursery Site and adjoining 552 Kings Road, London SW10 as the same is registered at HM Land Registry and forms part of title number LN186631; and

"Rent" means in respect of the Property and/or Nursery Site all rent and other income payments or sums payable to the First Borrower in respect of the Property and/or Nursery Site or any part thereof by any lessee, tenant, licensee or other occupier of the Property and/or Nursery Site or part thereof including any surety for the same.

Note:

The Mortgage contains, inter alia, the following restrictions:

1. The Chargor will not except with the prior written consent of the Agent:
 - (a) sell, transfer, lease or otherwise dispose or purport or agree to dispose of any interest in or lend or grant any licence or other right over any Charged Property; or
 - (b) enter into, create or permit to subsist any Encumbrance over any Charged Property save for the Encumbrances created under this deed and the Second Borrower Security Documents; or
 - (c) redeem or purchase its own shares or provide financial assistance for such purposes or pay any dividend.
2. The Chargor will not permit any person:
 - (a) to be registered as proprietor under the Land Registration Acts 1925 to 1988 of any Real Property nor create or permit to arise any overriding interest (as defined in such Acts) affecting the Real Property; or
 - (b) to become entitled to any proprietary right or interest which might affect the value of the Real Property.
3. The Chargor's statutory and any other powers of entering into Leases and accepting or agreeing to accept surrenders of Leases will be excluded and will not be exercisable by the Chargor in relation to the Real Property and the Chargor will not without the prior written consent of the Agent:
 - (a) part with possession or occupation of, confer any licence or right to occupy nor confer any interest in any Real Property;
 - (b) grant any permission to assign, underlet or part with possession or occupation of any Real Property;
 - (c) agree or permit any amendment to or waiver of the terms of any Lease (including any Lease under which the chargor is tenant); or
 - (d) exercise any power to determine any Lease.

Definitions:

"BT Lenders" means Bankers Trust Company and AP KCM LLC;

"Encumbrance" means any mortgage, charge, assignment by way of security, pledge, lien (save as arising in the ordinary course of business), any form of distress, attachment, execution

or other legal process or any other type of encumbrance or security interest or any other type of arrangement (including any sale and lease back or sale and repurchase agreement) having or intended to have a similar effect;

"Lease" includes any underlease, tenancy, letting, licence, any document supplemental or collateral to any of them and any agreement to enter into any of them and the expression tenant will be construed accordingly;

"Nursery Site" means all that freehold property known as the Wandon Road Nursery Site and adjoining 552 Kings Road, London SW10 as the same is registered at HM Land Registry and forms part of title number LN186631;

"Second Borrower Loan Agreements" means each of the loan agreements made between the First Borrower and each of the Surplus Site Companies respectively (in each case as borrower), the Second Borrower (as lender) and the BT Lenders;

"Second Borrower Security Documents" means

- (a) the debenture entered into by the First Borrower in favour of the Second Borrower pursuant to the Second Borrower Loan Agreement made between the First Borrower and the Second Borrower;
- (b) the legal mortgage over the Property entered into by the First Borrower in favour of the Second Borrower in accordance with the debenture referred to in paragraph (a) of this definition;
- (c) the supplemental debenture containing a legal mortgage over the Nursery Site entered into by the First Borrower in favour of the Second Borrower;

"Surplus Site Companies" means:

- (a) Campden Hill (Atkins) Limited (Company number 3462689) of 22 Old Bond Street, London W1X 3DA;
- (b) Campden Hill (Campus) Limited (Company number 3462673) of 22 Old Bond Street, London W1X 3DA; and
- (c) Manresa Road Limited (Company number 3462261) of 22 Old Bond Street, London W1X 3DA.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03462654

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A LEGAL MORTGAGE DATED THE 4th MARCH 1998 AND CREATED BY 552 KINGS ROAD LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO BHF-BANK AG (AS AGENT) AND/OR THE BENEFICIARIES UNDER ANY FINANCE DOCUMENTS WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 12th MARCH 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 16th MARCH 1998.


for the Registrar of Companies



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

07.13/98