



CHFP041

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

* Insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

Pursuant to section 395 of the Companies Act 1985

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.

**395**A/C
00400071

To the Registrar of Companies

(Address overleaf - Note 6)

For official use Company number



03539665

Name of company

* Union Railways (North) Limited

Date of creation of the charge

25 September 2002

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

Debenture (the "Debenture") dated 25 September 2002 and made between the Company and the Security Trustee (as defined below)

Amount secured by the mortgage or charge

See Rider 1

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

Deutsche Bank AG London, Winchester House, 1 Great Winchester Street, London for and on behalf of the Creditors (as defined in the Debenture) (the "Security Trustee")

Postcode EC2N 2DB

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

FRESHFIELDS BRUCKHAUS
DERINGER
65 FLEET STREET, LONDON
ENGLAND EC4Y 1HS
DX 23 LONDON/CHANCERY LANE

Time critical reference

For official use
Mortgage section

Post room

L07
COMPANIES HOUSE0108
27/09/02

Com 395-1/2

Short particulars of all the property mortgaged or charged

See Rider 2

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legibly, preferably
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bold block
lettering

A fee of £10 is
payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

Particulars as to commission allowance or discount (note 3)

Signed

Date 25/9/02

On behalf of [company] [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. Cheques and Postal Orders are to be made payable to **Companies House**.
6. The address of the Registrar of Companies is:-
Companies House, Crown Way, Cardiff CF4 3UZ.

UNION RAILWAYS (NORTH) LIMITED

(COMPANY NO.: 03539665)

Rider 1

Amount secured by the mortgage or charge

1. The Company shall on demand pay and discharge to the Security Trustee in full and without deduction, set-off or counterclaim, all present and future obligations and liabilities of the Company or its parent company London & Continental Railways Limited (LCR) to the Creditors (as defined in the Debenture) and the Security Trustee, under each of the Finance Documents to which the Company or LCR is a party (including the guarantee given by the Company to the Creditors in connection with each of the Facilities (as defined below) and notwithstanding that the liability of or recourse to the Company or its assets is limited by any provision thereof) including all amounts for which the Company may become liable under this Debenture (***Secured Obligations***).

Finance Documents means the Finance Documents as defined in:

- (a) the amended and restated facility agreement dated the same date as this Debenture and entered into between, inter alia, the Company, LCR, the Banks (as defined therein) and the Security Trustee (***the Amended and Restated CD Facility Agreement***);
- (b) the amended and restated European Investment Bank (***EIB***) facility agreement dated the same date as this Debenture and entered into between the Company, LCR and EIB; and
- (c) the amended and restated Kreditanstalt für Wiederaufbau (***KfW***) facility agreement dated the same date as this Debenture and entered into between the Company, LCR and KfW,

the agreements listed in (a) to (c) shall be together referred to as the ***Facilities***; and

- (d) the letter relating to fees and expenses, dated on or about the date of this Debenture and entered into between the Security Trustee and LCR and any amendment thereto from time to time or any other letter agreed between the Security Trustee and LCR.
2. The Finance Documents include the Facilities, the Fee Letters, this Debenture, LCR Debenture, URN Charge, LCR Charge, Security Documents, the Lenders' Intercreditor Deed, the Secretary of State Intercreditor Deed and the Deferred Grant Direct Agreement (each as defined in the Intercreditor Deed entered into on or about the date of this Debenture, by, inter alia the Security Trustee, EIB, KfW, LCR and the Company (***the Lenders' Intercreditor Deed***)).

3. If the Company fails to pay or discharge any of the obligations and liabilities due under this Debenture when they arise, the Company shall pay interest thereon (both before and after judgement) from the due date until the date of payment calculated at the Default Rate (as defined in the Debenture).

N.B. This Debenture is subject to:

- (1) a deed of priority dated the same date as this Debenture and entered into between, inter alia, the Secretary of State for Transport, Local Government and the Regions, the Company and LCR; and
- (2) a deed of priority dated the same date as this Debenture and entered into between, inter alia, the Company, LCR, EIB, KfW and the Security Trustee.

UNION RAILWAYS (NORTH) LIMITED

(COMPANY NO.: 03539665)

Rider 2

Particulars of all the property mortgaged or charged

As continuing security for the payment, discharge and performance of all or any of the Secured Obligations described in Rider 1 above:

1. the Company, as owner with full title guarantee, grants a legal assignment to the Security Trustee of all the Company's right, title, benefit and interest, both present and future:
 - (a) in and to the Secured Deferred Grant Instalments and the proceeds thereof (as defined in the Debenture);
 - (b) in, to and under the trust in respect of the Secured Deferred Grant Instalments (the *Secured Deferred Grant Trust*) evidenced or created by the deed entered into by LCR and the Company on or about the date of this Debenture and the agreement dated 18 February 1999 between the Company and LCR relating to the sale and purchase of the Business (as defined therein) carried out within the LCR Group (as defined therein), including the benefits of all rights arising out of, attaching or relating to, or in connection therewith; and
 - (c) in, to and under the bank account (or any replacement account), in the name of the Company, which has been designated for the purposes of receiving the Secured Deferred Grant Instalments (the *URN Deferred Grant Account*); and to all monies from time to time standing to the credit of such account (the *Deposit*) and the proceeds thereof; and to the debts represented by such account;
2. to the extent that any right, title, benefit and interest in paragraph 1 above is not assignable or capable of assignment, the purported assignment shall take effect as an assignment of any and all proceeds, damages, compensation or remuneration which the Company may derive therefrom or be awarded or entitled to in respect thereof; and
3. to the extent not subject to an effective legal assignment pursuant to Section 136(1) of the Law of property Act 1925, the Company, with full title guarantee, grants a first fixed charge in favour of the Security Trustee over all the Company's right, title, benefit and interest, both present and future (to the effect they are not effectively assigned under the Debenture):
 - (a) in and to the Secured Deferred Grant Trust and the proceeds thereof;
 - (b) in and to the Secured Deferred Grant Instalments and the proceeds thereof; and

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- (c) in, to and under the URN Deferred Grant Account and the Deposit, including any investment made out of the Deposit and the proceeds thereof, and the debts represented by the URN Deferred Grant Account;

together the *Secured Assets*.

N.B. The Company has given an undertaking not to create or permit to subsist any mortgage, pledge, lien, charge, assignment by way of security, hypothecation, security interest or any other security agreement or arrangement having the effect of conferring security whether relating to existing or future assets on any of the Secured Assets other than any such interests as are contained in:

- (a) this Debenture;
- (b) the floating charge granted by the Company in favour of the Security Trustee dated on or around the date of this Debenture; and
- (c) the debenture granted on 18 February 1999 by the Company in favour of the Secretary of State for Transport.

FILE COPY



**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

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

COMPANY No. 03539665

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 25th SEPTEMBER 2002 AND CREATED BY UNION RAILWAYS (NORTH) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY OR LONDON & CONTINENTAL RAILWAYS LIMITED TO THE CREDITORS AND THE SECURITY TRUSTEE 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 27th SEPTEMBER 2002.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 2nd OCTOBER 2002.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —