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CHFP025

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write in
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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

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

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

111111

03811720

Name of company

* ST. JAMES CAPITAL (LONG ACRE) LIMITED (the "Company")

Date of creation of the charge

6 August 1999

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

A debenture dated 6 August 1999 (the "Debenture") and made between the Company in favour of Eurohypo AG Europäische Hypothekenbank der Deutschen Bank, London Branch (the "Security Trustee") as agent and trustee for each of the Senior Finance Parties and the Mezzanine Finance Parties

Amount secured by the mortgage or charge

See attached Schedule 1 and definitions in attached Schedule 3

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

Eurohypo AG Europäische Hypothekenbank der Deutschen Bank, London Branch
(as agent and security trustee for each of the Senior Finance Parties
and the Mezzanine Finance Parties)
6 Bishopsgate, London

Postcode EC2N 4DA

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

Clifford Chance
200 Aldersgate Street
London EC1A 4JJ

CLS/E3920/117

London2/409387.01

Time critical reference

For official Use
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

See attached Schedule 2

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)

None

Signed

Clifford Chance

Date

12 August 1999

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

A fee of £10 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 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

SCHEDULE 1

Amount secured by mortgage or charge

In the Debenture, the Company covenanted with the Security Trustee to:

- (a) pay, discharge and satisfy the Secured Obligations in accordance with their respective terms; and
- (b) to indemnify each of the Senior Finance Parties and Mezzanine Finance Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Obligations in accordance with their respective terms.

SCHEDULE 2

Short particulars of all the property mortgaged or charged

1. MORTGAGE

In the Debenture, the Company charged with full title guarantee in favour of the Security Trustee, as security for the Secured Obligations, by way of first legal mortgage:

- (a) the Mortgaged Property; and
- (b) all its present and future Investments in subsidiaries of the Company.

2. ASSIGNMENT BY WAY OF SECURITY

To the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 3.1 (*Mortgage*) of the Debenture, the Company has assigned and agreed to assign absolutely with full title guarantee to the Security Trustee (to the fullest extent assignable or capable of assignment without first infringing any contractual provision restricting the same (unless any applicable consent or waiver to any such assignment has been granted)), as security for the payment and discharge of the Secured Obligations, the benefit of all of its right, title and interest to, in and under all present and future:

- (a) the benefit of the Acquisition Agreement and the Agreement for Lease and of any other agreements, contracts, deeds, licences, undertakings, guarantees, covenants, warranties, representations and other documents (including all documents entered into at the date of the Debenture or thereafter so as to enable the Security Trustee to perfect its rights under the Debenture or any such agreement, contract, deed, licence, undertaking, guarantee, covenant, warranty, representation or other document) entered into by or given to the Company in respect of the Real Property including all :
 - (i) claims, remedies, awards or judgements paid or payable to the Company (including, without limitation, all liquidated and ascertained damages payable to the Company under the above); and
 - (ii) agreements, appointments, guarantees, warranties, bonds and representations given or made by, and any rights or remedies against, any designer, builder, contractor, professional adviser, sub-contractor, manufacturer, supplier or installer of any Real Property including, without limitation, under any Building Contract, Professional Appointment, Trade Contract or Collateral Warranty and of any Fixture, in each case, relating to all or any part of the Real Property;
- (b) licences held at the date of the Debenture or thereafter in connection with the business carried on upon all or any part of the Real Property and also the right

to recover and receive all compensation which may at any time become payable to the Company under the Licensing Act 1964;

- (c) Rental Income and Disposal Proceeds and the right to make demand for and receive the same;
- (d) chattels hired, leased or rented by the Company to any person together in each case with the benefit of the related hiring, leasing or rental contract and any guarantee, indemnity or other Security for the performance of the obligations of any person under or in respect of such contract;
- (e) Insurance Policies and all proceeds paid or payable thereunder;
- (f) the Security Accounts and the debts represented thereby; and
- (g) swaps and all proceeds paid or payable thereunder.

3. **FIXED CHARGES**

To the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 3.1 (*Mortgage*) of the Debenture or effectively assigned pursuant to Clause 3.2 (*Assignment by way of Security*) of the Debenture, the Company has charged with full title guarantee in favour of the Security Trustee (as agent and trustee for the Senior Finance Parties and the Mezzanine Finance Parties), with the payment and discharge of the Secured Obligations, by way of first fixed charge, all present and future:

- (a) rights, title and interests in, to and under the Real Property;
- (b) moneys standing to the credit of the Security Accounts and each of its present and future accounts with the bank, financial institution or other person and the debts represented thereby;
- (c) goodwill;
- (d) rights and claims in relation to the uncalled share capital of the Company including all present and future calls (whether made by the directors of the Company or by a Receiver appointed under the Debenture or a liquidator of the Company);
- (e) rights to recover any VAT on any supplies made to it relating to the Security Assets and any sums so recovered;
- (f) book and other debts and monetary claims due or owing to the Company and all rights relating to such debts including all guarantees, Security or other remedies for or attaching to such debts;
- (g) rights in respect of the proceeds of any order of the court made pursuant to Section 283(3), 239(3) or 244 of the Insolvency Act 1986;

- (h) Investments; and
- (i) assets which are specified in Clause 3.2 (*Assignment by way of Security*) of the Debenture.

4. EXCEPTIONS TO FIXED SECURITY

The fixed Security from time to time constituted under the Debenture does not extend to any asset situated outside England and Wales to the extent that and for so long as any such fixed Security would be unlawful under the laws of the jurisdiction in which such asset is situated.

5. RIGHTS ATTACHING TO INVESTMENTS

- 5.1 Subject as provided below, all rights and powers conferred by statute or otherwise upon an absolute owner or any Investment will:

- (a) with respect to any Investment registered in the name of the Security Trustee or its nominee(s); and
- (b) with respect to any Investment agreed to be assigned or charged by or pursuant to the Debenture,

be exercised as the Company may direct.

- 5.2 Such rights and powers will not be exercised in any manner which in the opinion of the Security Trustee is inconsistent with the Security intended to be conferred on the Security Trustee by the Debenture.

- 5.3 The Company will 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 the 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 Section 425 of the Companies Act 1985.

- 5.4 After the Debenture becomes enforceable, the Security Trustee and its nominee(s) (without any consent or authority on the part of the Company), may at the Security Trustee's discretion (in the name of the Company or otherwise) exercise or cause to be exercised in respect of any of the charged 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 charged Investments and all other powers and rights conferred on or exercisable by the bearer or holder of such Investments.

6. FLOATING CHARGE

- 6.1 The Company with full title guarantee has charged in favour of the Security Trustee (as agent and trustee for the Senior Finance Parties and the Mezzanine Finance Parties), with the payment and discharge of the Secured Obligations, by way of first floating charge all present and future assets and undertaking of the Company other than those

assets validly and effectively charged, both under the laws of England and Wales and also the jurisdiction in which each such asset is situated, by way of fixed Security under any Senior Finance Document or Mezzanine Finance Document granted in favour of the Security Trustee (as agent and trustee for the Senior Finance Parties and the Mezzanine Finance Parties) as security for the Secured Obligations.

- 6.2 The Security Trustee may by notice to the Company convert the floating charge constituted under Clause 4.1 (*Floating charge*) of the Debenture with immediate effect into a fixed charge as regards any asset the subject of such floating charge or such asset as specified in the notice if an Event of Default is continuing or the Security Trustee has reasonable grounds for considering those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- 6.3 In addition, without limiting any rule of law which may have a similar or analogous effect, the floating charge constituted under Clause 4.1 (*Floating charge*) in the Debenture will automatically be converted with immediate effect into a fixed charge as regards all assets the subject of such floating charge and without notice from the Security Trustee to the Company on the presentation or making of an application for a warrant of execution, writ of fieri facias, garnishee order or charging order in respect of any of the Security Assets.

7. NEGATIVE PLEDGE

The Senior Credit Agreement and the Mezzanine Credit Agreement contain negative pledges.

8. FURTHER ASSURANCE

The Debenture contains covenants for further assurance.

SCHEDULE 3

Definitions

1. In this Form 395 the following terms shall have the following meanings:

"Account" means any of the Rental Income Account, the Disposals Account, the VAT Account, the Construction Disbursements Account, the NatWest Account and the Service Proceeds Account.

"Acquisition Agreement" means the sale and purchase agreement dated on or about the date of the Debenture between the Company and The London Institute Higher Education Corporation.

"Agent" means Eurohypo AG Europäische Hypothekenbank der Deutschen Bank, London Branch.

"Agreement for Lease" means the agreement for lease for part of the Property to be entered into between the Company and the Tenant in respect of an Occupational Lease for a period of 25 years at an annual rent of £1,500,000 (subject to variation in accordance with the terms thereof) and a rent free period not exceeding nine months (subject to variation in accordance with the terms thereof).

"Architect" means any firm of architects of national repute appointed by the Company with the prior written approval of the Agent for the carrying out of a Development or any other firm of architects appointed as a replacement by the Company (with the prior written consent of the Agent (not to be unreasonably withheld or delayed) in consultation with the Project Monitor) in place of such architect.

"Arranger" means Eurohypo (UK) Limited.

"Building Contract" means, in relation to any Development, a contract in form and substance satisfactory to the Agent entered into or to be entered into between the Company and a Contractor relating to the carrying out of the whole of a Development, and includes any replacement building contract (or any such procurement agreement) entered into by the Company (in form and substance satisfactory to the Agent) (in consultation with the Project Monitor)) with a Contractor.

"Collateral Warranty" means, in relation to any Development, any agreement in the nature of collateral warranties or indemnities entered into by the relevant Contractor, Major Trade Contractor or Professional in favour of the Agent in form and substance acceptable to the Agent (in consultation with the Project Monitor).

"Construction Disbursements Account" means any account maintained by the Company in accordance with sub-clause 15.2.1(c) of the Senior Credit Agreement and

includes any interest of the Company in any replacement account or sub-division or sub-account of that account.

"Contractor" means, in relation to a Development, such person as the Company (with the prior consent of the Agent) may appoint for the carrying out of the construction of the whole of that Development, or any other contractor appointed as replacement by the Company (with the prior written consent of the Agent (in consultation with the Project Monitor)) in relation to that Development in place of such contractor.

"Development" means any works of construction, refurbishment or material alteration to the Property, each as approved by the Security Trustee in writing in accordance with the Senior Credit Agreement (including, for the avoidance of doubt, the Retail Development).

"Disposals Account" means any account maintained by the Company in accordance with sub-clause 15.2.1(b) of the Senior Credit Agreement and includes any interest of the Company in any replacement account or sub-division or sub-account of that account.

"Disposal Proceeds" means all sums paid or payable or any other consideration given or to be given in money or money's worth for the disposal of the Company's interest in all or part of the Property or all or part of the Acquisition Agreement including (without limitation):

- (a) all such sums and other consideration of a capital nature;
- (b) all compensation and damages received for any use or disturbance, blight or compulsory purchase;
- (c) the cash value of any apportionment of any Rental Income or other sum given or made to any purchaser or other person upon such a disposal; and

any net profit arising as a result of the breakage of hedging arrangements entered into as required pursuant to the terms of the Senior Credit Agreement and the Mezzanine Credit Agreement and as further described in Clause 21.7 of the Senior Credit Agreement.

"Duty of Care Agreement" means any agreement, in form and substance satisfactory to the Security Trustee, between the Managing Agent and the Security Trustee in relation to the management of the Property.

"Engineer" means in relation to any Development, any firm of mechanical, electrical, services, civil engineers and/or structural engineers as the Company (with the prior written consent of the Agent) may appoint in relation to that Development, or any other firm of mechanical, electrical, services, civil engineers and/or structural engineers appointed as replacement by the Company (with the prior written consent of

the Agent) (in consultation with the Project Monitor)) in place of such mechanical, electrical, services, civil engineers and/or structural engineers.

"Event of Default" means any of those events specified in Clause 18 of the Senior Credit Agreement.

"Fixture" means any fixture, fitting, fixed plant or machinery at any time situated on, or forming part of, the Property (excluding any of the same for the time being forming part of the Company's, the Tenant's or any Contractor's stock in trade or work in progress).

"Guarantee" means the guarantee dated 6 August 1999 provided by the Guarantor in favour of the Security Trustee on behalf of the Senior Banks and the Mezzanine Banks.

"Guarantor" means St. James Capital Limited.

"Insurance Policy" means any policy of insurance or assurance in which the Company may at any time have an interest entered into in accordance with Clause 17.3 of the Senior Credit Agreement.

"Intercreditor Deed" means the intercreditor deed dated 6 August 1999 between, amongst others, the Senior Finance Parties, the Mezzanine Finance Parties, the Company and the Guarantor.

"Investment" means any:

- (a) stock, share (as defined in Section 744 of the Companies Act 1985), debenture or other security of whatever nature;
- (b) right, dividend, or other interest (howsoever described) relating to any of the above; and
- (c) other asset, right or interest falling within any paragraph in Part I of Schedule 1 to the Financial Services Act 1986 (as in force at the date of the Senior Credit Agreement) but so that the exceptions in the notes to paragraphs 2 and 5 and note (1) to paragraph 8 of that Part will not apply.

"Lease" means any present or future lease, underlease, sub-lease, licence, agreement, option, tenancy or right to occupy in each case howsoever described whether on a fixed term or periodic basis governing the use or occupation of any freehold or leasehold property or any part of it.

"Major Trade Contractor" means in relation to any Development, any Trade Contractor having a responsibility for the design of a significant part of that Development (including without limitation any plant, machinery or equipment comprised therein) or such other Trade Contractor which the Agent considers (in consultation with the Quantity Surveyor) to have a material role in relation to the construction of that Development.

"Management Agreement" means any agreement, in form and substance satisfactory to the Agent, between, amongst others, the Managing Agent and the Company appointing that Managing Agent as managing agent of the Property.

"Managing Agent" means:

- (a) St. James Capital Limited of 154A Church Road, Hove, East Sussex BN3 2DL; or
- (b) any other managing agent of the Property approved by the Security Trustee.

"Mezzanine Credit Agreement" means the £9,100,000 credit agreement dated 6 August 1999 between, amongst others, the Company as borrower, the Security Trustee as agent and security trustee and the Mezzanine Banks.

"Mezzanine Banks" means the financial institutions listed in Schedule 1 to the Mezzanine Credit Agreement and any other banks or financial institutions to which at any time rights and obligations under a Mezzanine Finance Document are assigned or transferred in accordance with Clause 26.3 of the Mezzanine Credit Agreement.

"Mezzanine Finance Document" means any of:

- (a) the Mezzanine Credit Agreement;
- (b) the Debenture;
- (c) the Subordination Deed;
- (d) the Intercreditor Deed;
- (e) the Guarantee;
- (f) the Mortgages of Shares;
- (g) any Duty of Care Agreement;
- (h) any Management Agreement;
- (i) any Collateral Warranty;
- (j) any Transfer Certificate;
- (k) any fee letter;
- (l) any document from time to time creating, evidencing or entered into as security for, or supporting, any of the Secured Obligations;
- (m) any document designated as such in writing by both the Agent and the Company; and
- (n) any document entered into pursuant to, or which amends or varies, any document referred to in paragraph (a) to (m) above.

"Mezzanine Finance Parties" means any of the Arranger, the Agent, the Security Trustee or a Mezzanine Bank.

"Mortgaged Property" means the freehold and leasehold property (if any) specified in Schedule 1 (*Mortgaged Property*) to the Debenture.

"Mortgage of Shares" means each mortgage of shares dated 6 August 1999 executed by each Shareholder in favour of the Security Trustee.

"NatWest Account" means any account maintained by the Company in accordance with sub-clause 15.2.1(f) and includes any interest of the Company in any replacement account or sub-division or sub-account of that account.

"Occupational Lease" means any occupational Lease to which the Property may be subject from time to time.

"Professional" means, in relation to any Development, any of:

- (a) the Architect;
- (b) the Project Manager;
- (c) any Engineer; and
- (d) the Quantity Surveyor,

and any other professional advisor as the Company (with the prior written consent of the Agent (in consultation with the relevant Project Monitor)) may appoint for the carrying out of that Development in place of any such advisor.

"Professional Appointment" means in the case of any Professional, any agreement or contract entered into at any time in accordance with the Senior Credit Agreement by the Company or the Contractor for the appointment or engagement of any such Professional in relation to the Development being conducted by or on behalf of the Company.

"Project Manager" means in relation to any Development such firm of project managers as the Company may appoint (with the prior written approval of the Agent), or any other firm of project managers appointed by the Company (with the prior written consent of the Agent (in consultation with the relevant Project Monitor)) in place of such project managers.

"Project Monitor" means, in relation to any Development, such firm or firms of chartered surveyors, quantity surveyors or monitoring surveyors of national repute as the Agent may appoint from time to time.

"Property" means the freehold and leasehold property specified in Schedule 4 to the Senior Credit Agreement and includes:

- (a) any present or future freehold and leasehold property in which the Company has an interest; and
- (b) any part or interest in the Property and each building or Fixture at any time situated on the Property.

"Quantity Surveyor" means in relation to any Development, such company or firm of quantity surveyors appointed by the Company (with the prior written consent of the Agent) or any other firm of quantity surveyors appointed by the Company (with the prior written consent of the Agent (in consultation with the Project Monitor)) in place of such quantity surveyors.

"Realisation Account" means an account maintained for the Company by the Security Trustee in accordance with sub-clause 7.10.1 (*Contingencies*) of the Debenture and includes any interest of the Company in any replacement account or sub-division or sub-account of any such account.

"Real Property" means, including as provided in Clause 3.4 (*Real Property*) of the Debenture:

- (a) any present or future freehold or leasehold property in which the Company has an interest; and
- (b) the Mortgaged Property,

unless, in each case, such property ceases to be a Security Asset.

"Receiver" means a receiver or receiver and manager or an administrative receiver as the Security Trustee may specify at any time in the relevant appointment made under the Debenture, which term will include any appointee made under a joint and/or several appointment by the Security Trustee.

"Rental Income" means all amounts payable to or for the benefit of the Company arising from the letting use or occupation of the 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) any other moneys payable in respect of use and/or occupation;
- (d) proceeds of insurance in respect of loss of rent;
- (e) receipts from or the value of consideration given for the surrender or variation of any letting;

- (f) proceeds paid by way of reimbursement of expenses incurred or on account of expenses to be incurred in the management, maintenance and repair of, and the payment of insurance premiums for, the Property;
- (g) proceeds paid for a breach of covenant under any Lease and for expenses incurred in relation to any such breach;
- (h) any contribution to a sinking fund paid by an occupational tenant;
- (i) any contribution by an occupational tenant of the Property to ground rent due under any Lease out of which the Company derives its interest in the Property;
- (j) any payment from a guarantor or other surety in respect of any of the items listed in this definition;
- (k) interest, damages or compensation in respect of any of the items in the definition; and
- (l) any VAT on any sum mentioned in this definition.

"Rental Income Account" means any account maintained by the Company in accordance with sub-clause 15.2.1(a) of the Senior Credit Agreement and includes any interest of the Company in any replacement account or sub-division or sub-account of that account.

"Retail Development" means the Landlord's Works (as defined in the Agreement for Lease).

"Secured Obligations" means all present and future obligations and liabilities whether actual or contingent and whether owed jointly or severally in any other capacity whatsoever of the Company to:

- (a) each Senior Finance Party under each Senior Finance Document; and
- (b) each Mezzanine Finance Party under each Mezzanine Finance Document, except for any obligation which,

if it were so included, would result in the Debenture contravening Section 151 of the Companies Act 1985.

"Security" means any mortgage, pledge, lien, charge (whether fixed or floating), security assignment (whether legal or equitable), 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.

"Security Assets" means all assets of the Company subject of any Security created by the Debenture.

"Security Accounts" means any of the Accounts of the Company or the Realisation Account.

"Senior Credit Agreement" means the £21,600,000 credit agreement dated 6 August 1999 between, amongst others, the Company as borrower, the Security Trustee as agent and security trustee and the Senior Banks.

"Senior Banks" means the financial institutions listed in Schedule 1 to the Senior Credit Agreement and any other banks or financial institutions to which at any time rights and obligations under a Senior Finance Document are assigned or transferred in accordance with Clause 26.3 of the Senior Credit Agreement.

"Senior Finance Document" means any of:

- (a) the Senior Credit Agreement;
- (b) the Debenture;
- (c) the Subordination Deed;
- (d) the Intercreditor Deed;
- (e) the Guarantee;
- (f) the Mortgages of Shares;
- (g) any Duty of Care Agreement;
- (h) any Management Agreement;
- (i) any Collateral Warranty;
- (j) any Transfer Certificate;
- (k) any fee letter;
- (l) any document from time to time creating, evidencing or entered into as security for, or supporting, any of the Secured Obligations;
- (m) any document designated as such in writing by both the Security Trustee and the Company; and
- (n) any document entered into pursuant to, or which amends or varies, any document referred to in paragraph (a) to (m) above.

"Senior Finance Party" means any of the Arranger, the Agent, the Security Trustee or a Senior Bank.

"Service Proceeds Account" means any account maintained by the Company in accordance with sub-clause 15.2.1(d) of the Senior Credit Agreement and includes any interest of the Company in any replacement account or sub-division or sub-account of that account.

"Shareholders" means the shareholders of the Company being David Coffey and Anthony Lyons.

"Subordination Deed" means the subordination deed dated 6 August 1999 between the Company as debtor, the Shareholders and the Guarantor as subordinated creditors and the Security Trustee.

"Tenant" means H & M Hennes Limited.

"Trade Contractor" means, in relation to any Development, any trade contractor or service provider (other than a Professional) appointed by the Company in relation to that Development.

"Trade Contract" means, in relation to any Development, the contract or other agreement made by a Trade Contractor with the Company governing its appointment as such and the obligations of that Trade Contractor in relation to that Development.

"Transfer Certificate" means a certificate substantially in the form set out in Schedule 5 to the Senior Credit Agreement or, as the case may be, the Mezzanine Credit Agreement.

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

"VAT Account" means any account maintained by the Company in accordance with sub-clause 15.2.1(e) of the Senior Credit Agreement and includes any interest of the Company in any replacement account or sub-division or sub-account of that account.

2. A reference in the Debenture to a mortgage, assignment or charge of any freehold or leasehold property includes;
- (a) all buildings and Fixtures on that property;
 - (b) the proceeds of sale of any part of that property;
 - (c) any licence, agreement for sale or agreement for lease in relation to that property; and
 - (d) the benefit of any covenants for title given or entered into by any predecessor in title of the Company in respect of that property or any moneys paid or payable in respect of those covenants.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03811720

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 6th AUGUST 1999 AND CREATED BY ST. JAMES CAPITAL (LONG ACRE) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO EUROHYPO AG EUROPAISCHE HYPOTHEKENBANK DER DEUTSCHEN BANK AS AGENT AND SECURITY TRUSTEE ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 12th AUGUST 1999.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 18th AUGUST 1999.

cc
JK.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



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