

# M

CHFP014

Please do not  
write in this  
binding marginPlease 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 5)

For official use

Company number

Name of company

\* Cannon Life No.1 (UK) Limited (the "Company")

Date of creation of the charge

11 June 2004

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

Charge dated 11 June 2004 and made between the Company (1) and the Security  
Trustee (2) (the "Charge")

Amount secured by the mortgage or charge

Please see paragraph 1 of the attached continuation sheet for defined terms used in  
this Form 395.

The "Obligations" being all monies costs charges, expenses liabilities and obligations  
whether certain or contingent which now or hereafter may be or become due, owing  
or incurred by the Borrower, Holdco or the property companies to the Security  
Trustee and/or any of the Beneficiaries (whether solely or jointly with one or more  
persons or in any capacity whatsoever under the Finance Documents) except for any  
obligation or liability which, if it were so included, would result in the unlawful  
giving of financial assistance, and any reference herein shall include all or any part  
thereof.

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

Deutsche Bank AG (the "Security Trustee")

Winchester House, 1 Great Winchester Street, London

Postcode EC2N 2DB

Presentor's name address and  
reference (if any) :  
Cadwalader Wickersham & Taft LLP  
265 Strand  
London WC2R 1BH  
JLH.95771.006

Time critical reference

For official Use  
Mortgage Section

Post room

A03  
COMPANIES HOUSE

\*AQMB1W3X\*

0441  
19/06/04

Short particulars of all the property mortgaged or charged

**Please see paragraph 1 of the attached continuation sheet for defined terms used in this Form 395.**

Please do not write in this binding margin

**See Continuation Sheet for the particulars of all the property mortgaged or charged.**

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

Particulars as to commission allowance or discount (Note 3)

NIL

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

Signed

*Cadwalader*

Date

*10/06/04*

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", "Debentures", "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:-

## Continuation Sheet to Form 395

### Part 1

In this Form 395 the following expressions shall have the following meanings (save to the extent that the context otherwise so requires):

**"Advance"** means, save as otherwise provided herein, an advance (as from time to time reduced by prepayment or repayment) made or to be made by the Banks under the Facility which will be either an Acquisition Advance in relation to one or more Properties or a Top-Up Advance.

**"Acquisition Advance"** means, in relation to any Property which for the time being is not already included in the Portfolio, an Advance which directly or indirectly funds the acquisition of such Property (or variation of an interest previously held therein) or a Target Company which beneficially owns such Property by the Borrower or a Property Company.

**"Beneficiaries"** means the Security Trustee, the Banks and each Hedge Counterparty;

**"Borrower"** means Cannon Capital Funding (UK) Limited;

**"Certificates of Title"** means the certificates of title delivered or to be delivered pursuant to Part 1(B) of Schedule 4 of the Facility Agreement;

**"Debenture"** means the debenture dated 3 June 2004 made between Holdco, Borrower, the Security Trustee and the Company.

**"Facility Agreement"** means the revolving warehouse facility agreement dated 29 April 2004 between, inter alios, Holdco, the Property Companies, the Borrower and the Security Trustee;

**"Finance Documents"** means the Facility Agreement, the Security Documents, the Subordination Deed, the Hedges, any Transfer Certificate, any Borrower Accession Notice, any Property Company Accession Notice, any Duty of Care Agreement and any document designated as a Finance Document by the Agent and the Borrower (all as defined in the Facility Agreement).

**"Fixtures"** includes all buildings, erections and structures at any time on or in the course of construction on any Property comprised in the Portfolio and includes all landlord's fixtures, fittings, plant, machinery, equipment, installations and apparatus now and from time to time in or on or belonging to any such Property;

**"Holdco"** means Cannon Capital Property Holdings Limited;

**"Insurance Policies"** means the benefit of any Property Company in any insurance policy in relation to the Properties comprised in the Portfolio;

**"Lessee Security"** means all such right, title, interest and benefit as either Property Company has now or at any time thereafter in and to all collateral security provided as security by the tenant for its obligations under the Operating Leases including without limitation: deposits; bonds; guarantees; indemnities and letters of credit;

**“Loan”** means a loan from the Borrower or any Property Company to any Property Company;

**“Operating Lease”** means a lease in relation to a Property under which an Operator is tenant which requires the Operator to use the Property for a purpose which falls within the definition of Care Facility.

**“Operator”** means, in relation to a Care Facility, the person which operates or will operate such Care Facility.

**“Portfolio”** means all Properties at any time beneficially owned by the Borrower, a Property Company or a Target Company (or which will be beneficially owned by such a person immediately following the making of an Advance).

**“Property”** means a freehold, heritable, leasehold or other estate or interest in land and buildings in the United Kingdom operated or to be operated as a Care Facility (and including any relevant ancillary land and buildings) together with all Fixtures, fittings and other assets of any kind whatsoever beneficially owned by the Borrower or the relevant Property Company or Target Company and situated at or used primarily in connection with such Care Facility;

**“Property Companies”** means the Property Company and all other Companies which are for the time being “Property Companies” in accordance with the Facility Agreement.

**“Real Property”** means the property being The Old Rectory Nursing Home and adjacent land, Stombridge Road, Great Stombridge, Essex registered under title numbers EX599926 and EX670952 together with the Fixtures thereon and reference to the Real Property shall be taken to include the whole or any part or parts thereof;

**“Residents”** means elderly, young, mentally or physically infirm, chronically ill, learning or physically disabled or disadvantaged persons, persons with criminal convictions or those with drug, alcohol or other dependencies.

**“Target Company”** means a company (other than a company which for the time being is an Obligor) the entire issued share capital of which is (or would be on the making of an Advance hereunder) beneficially owned by the Borrower or a Property Company;

**“Top-Up Advance”** means an Advance made from time to time but which does not constitute an Acquisition Advance; and

**2. Short Particulars of all the property mortgaged or charged – continued from page 2 of form 395**

**SECURITY**

1.1 The Chargor with full title guarantee but subject to all matters disclosed in any Certificate of Title (and to the intent that the security so constituted shall be a continuing security in favour of the Security Trustee) as continuing security for the payment and discharge in full of the Obligations:

- (a) by way of first legal mortgage the Real Property.
- (b) by way of first fixed charge of all its rights as landlord over the Operating Leases of the Real Property to which it is a party; and
- (c) by way of first equitable charge all of its rights, title and interest in and to the Lessee Security relating to the Real Property.

Clause 3.2.2 of the Debenture is incorporated by reference.

The Property Company, with full title guarantee, (subject to the matters disclosed in any Certificate of Title) charges and assigns and agrees to charge and assign in favour of the Security Trustee, as continuing first priority security for the payment and discharge in full of the Obligations by way of fixed charge, of all of its rights, title an interest in and to all Insurance Policies and any proceeds from any claims under such policies subject to the obligations of the Property Company or the rights of any Operator to apply the instatement of the insured property;

FILE COPY



## CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 05139897

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A CHARGE DATED THE 11th JUNE 2004 AND CREATED BY CANNON LIFE NO.1 (UK) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE BORROWER, HOLDCO OR THE PROPERTY COMPANIES TO THE SECURITY TRUSTEE AND/OR ANY OF THE BENEFICIARIES (WHETHER SOLEY OR JOINTLY WITH ONE OR MORE PERSONS OR IN ANY CAPACITY 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 19th JUNE 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 22nd JUNE 2004.

GRH  
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*Companies House*

— for the record —



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES