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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

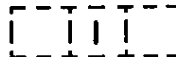
A fee of £13 is payable to Companies House in respect
of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number



6865668

Name of company

* CP Distribution 1 (GP) Limited acting as general partner for Commercial
Property Fund Distribution Fund 1 (Chargor)

Date of creation of the charge

24 September 2009

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

A Security Agreement, between the Chargor, CP Distribution 1 (GP) Limited
and the Lender (as defined below) (Security Agreement)

Amount secured by the mortgage or charge

All monies and liabilities at or after the date of the Security Agreement due, owing or incurred by the
Chargor to the Lender whatsoever, in any manner and in any currency or currencies and whether
present or future, actual or contingent, whether incurred solely or jointly with any other person and
whether as principal or surety, together with all interest accruing on such monies and liabilities and all
costs, charges and expenses incurred by the Lender and including but not limited to amounts incurred
under the Finance Documents, except for any obligation which, if it were included here, would
constitute unlawful financial assistance, or its equivalent in any other jurisdiction (Secured
Obligations)

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

Abbey National Treasury Services plc (Lender)
2 Triton Square, London

Postcode NW1 3AN

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

Addleshaw Goddard LLP
Sovereign House
Sovereign Street
Leeds
LS1 1HQ

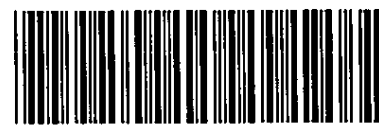
FAIRA/3211298-531

Time critical reference

For official Use (02/06)
Mortgage Section

Post room

THURSDAY



A36 01/10/2009 132
COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

1 First legal mortgages

The Chargor charges by way of first legal mortgage:

- (a) the Properties;
- (b) all other interests and estates in freehold, leasehold or commonhold property,

and, in each case, all Premises and Fixtures on such property for the time being

Please see continuation sheet.

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)

NIL

Signed Adleshaw Goddard LLP

Date 30 September 2009

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

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

Notes

† 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.
- 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

Name of company

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Addendum 1/4

1. Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Addendum 2/4

2. Amount due or owing on the mortgage or charge (continued)

Addendum 3/4

3. Names, addresses and descriptions of the mortgages or persons entitled to the charge (continued)

Addendum 4/4

4. Short particulars of all the property mortgaged or charged (continued)

2 Assignments

- (a) The Chargor assigns:
 - (i) the Relevant Agreements to which it is a party; and
 - (ii) the Relevant Policies to which is a party.
- (b) The Chargor shall remain liable to perform all its obligations under the Relevant Agreements and the Relevant Policies
- (c) Notwithstanding the other terms of this clause 2 (of this form), prior to the occurrence of an Event of Default which is continuing, the Chargor may, subject to the other terms of the Finance Documents, continue to exercise all and any of its rights under and in connection with the Relevant Agreements

3 First fixed charges

The Chargor charges by first fixed charge:

- (a) all other interests and estates in any freehold, leasehold or commonhold property;
- (b) the proceeds of sale of its Secured Property and all licences to enter on or use any Secured Property;
- (c) the benefit of all other agreements, instruments and rights relating to its Secured Property;
- (d) all plant, machinery, vehicles, computers, office and other equipment, all furniture, furnishings, equipment and tools and any removals or replacement of them, (together **Chattels**) present and future and the benefit

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of all contracts, licences, warranties, maintenance contracts relating to them and any renewals and replacements of them;

- (e) the Subsidiary Shares together with all Related Rights;
- (f) the Investments together with all Related Rights;
- (g) all book and other debts due to the Chargor and their proceeds (both collected and uncollected) (together **Debts**) and all rights, guarantees, security or other collateral in respect of the Debts (or any of them) and the benefit of any judgment or order to pay a sum of money and all rights to enforce the Debts (or any of them);
- (h) all monies from time to time standing to the credit of each Blocked Account;
- (i) all monies from time to time standing to the credit of each account held by the Chargor with any bank, building society, financial institution or other person other than any Blocked Account (each an **Account**);
- (j) all its Intellectual Property;
- (k) all its goodwill and uncalled capital;
- (l) the benefit of all Authorisations held or utilised by it in connection with its business or the use of any of its assets and the right to recover and receive compensation payable in respect of any of them; and
- (m) to the extent that any legal mortgage in clause 1 (of this form) or any assignment in clause 2 (of this form) is ineffective as a legal mortgage or an assignment (as applicable), the assets referred to in that clause.

4 Floating charge

The Chargor charges by way of first floating charge all its assets and undertaking wherever located both present and future other than any assets effectively charged by way of legal mortgage or fixed charge or assigned under clauses 2, 3 or 4 (of this form).

5 Conversion of floating charge to a fixed charge

The Lender may at any time by notice in writing to the Chargor convert the floating charge created under clause 5 (of this form) into a fixed charge as regards any Floating Charge Asset as it shall specify in the notice if:

- (a) an Event of Default is continuing; or
- (b) in the opinion of the Lender that Floating Charge Asset is in danger of being seized or any legal process or execution is being enforced against that Floating Charge Asset.

6 Automatic conversion of floating charge to a fixed charge

If (unless permitted in writing by the Lender or expressly permitted under the terms of any Finance Document):

- (a) the Chargor creates or attempts to create the Security over any of its Floating Charge Assets;
- (b) any person levies or attempts to levy any distress, attachment, execution or other legal process against any

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Floating Charge Asset; or

- (c) any corporate action, legal proceedings or other procedures or steps are taken for the winding up, dissolution, administration or reorganisation of the Chargor,

the floating charge created by the Security Agreement will automatically and immediately without notice be converted into a fixed charge over the relevant assets or, in the circumstances described in clause 6(b) (of this form), over all of the Floating Charge Assets.

7 Negative pledge

7.1 The Chargor shall not create or permit to subsist any security over any of its assets.

7.2 The Chargor shall not:

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Chargor, or the General Partner;
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

Clauses 7.1 and 7.2 (of this form) do not apply to any security or arrangement which is Permitted Security

In this form the following words shall have the following meanings:

Authorisation means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration, or any other similar permission

Blocked Account means:

- (a) the Deposit Account;
- (b) the Proceeds Account;
- (c) the Rent Account; and
- (d) each other account designated as a Blocked Account by the Lender and the Chargor in writing

(each of the above accounts as defined in the Facility Agreement)

Chattels has the meaning given to it in clause 3(c) (as defined in this form)

Debts has the meaning given to it in clause 3(f) (as defined in this form)

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Event of Default means any event or circumstance specified as an event of default under the Facility Agreement

Facility Agreement means the facility agreement between the Chargor and the Lender under which the Lender agrees to make available to the Chargor the Development Facility, VAT Facility and the Investment Facility (each as defined therein)

Finance Documents means any of the Security Agreement, the Facility Agreement, each Subordination Deed, each Security Document, any Utilisation Request, any Hedging Agreement and any other document designated as a Finance Document by the Lender and the Chargor (as each such term is defined in the Facility Agreement, unless otherwise defined in this form.

Financial Indebtedness means any indebtedness for or in respect of:

- (a) monies borrowed and debit balances at banks or other financial institutions
- (b) any acceptance under any acceptance credit facility or bill discounting facility (or dematerialised equivalent)
- (c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument
- (d) the amount of any liability in respect of Finance Leases (as defined in the Facility Agreement)
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirements for de-recognition under the Accounting Principles (as defined in the Facility Agreement)
- (f) any Hedge Transaction (as defined in the Facility Agreement) (and, when calculating the value of that Hedge Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Hedge Transaction, that amount) shall be taken into account)
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of an entity which is not an Obligor (as defined in the Facility Agreement) which liability would fall within one of the other paragraphs of this definition
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the issuer) before the Repayment Date or are otherwise classified as borrowings under the Accounting Principles (each as defined in the Facility Agreement)
- (i) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 90 days after the date of supply
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement and any sale and leaseback arrangement) having the commercial or economic effect of a borrowing
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j)

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above

Fixtures means in respect of any Secured Property, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery on or at any time after the date of the Security Agreement on that Secured Property

Floating Charge Assets means all the assets and undertaking from time to time subject to the floating charge described in clause 4 (of this form)

General Partner means CP Distribution 1 (GP) Limited (registered in England and Wales with number 6865668)

Insurance Policies means, in respect of a Chargor, all policies of insurance present and future in which it has an interest

Intellectual Property means:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered and
- (b) the benefit of all applications and rights to use such assets of the Chargor

Investments means any shares, stocks, debenture security, securities, bonds and investments of any type (other than the Subsidiary Shares) whatever, including but not limited to, negotiable instruments, certificates of deposit, eligible debt securities, interests in collective investment schemes, or other investments referred to in section 22 of, and as defined in Part II of schedule 2 to, the Financial Services and Markets Act 2000 and Part III of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, whether certificated or uncertificated, physical or dematerialised, registered or unregistered, held by the relevant Chargor or by a trustee or clearance system or nominee

Premises means any building on a Secured Property

Properties mean the properties listed in Schedule 1 to this form

Related Rights means, in respect of any Investment or Subsidiary Share:

- (a) all monies paid or payable in respect of that Investment or Subsidiary Share (whether as income, capital or otherwise);
- (b) all shares, investments or other assets derived from that Investment or Subsidiary Share; and
- (c) all rights derived from or incidental to that Investment or Subsidiary Share

Relevant Agreement means:

- (a) each Hedging Agreement;
- (b) the Performance Charge;

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- (c) the Performance Agreement;
 - (d) each Consultant's Appointment;
 - (e) the Development Agreement;
 - (f) the Building Contract;
 - (g) each Agreement for Lease; and
 - (h) each other agreement designated as a Relevant Agreement by the Lender and the Chargor in writing
- (each as defined in the Facility Agreement)

Relevant Policies means all Insurance Policies together with all monies payable in respect of those policies

Secured Property means at any time the Properties and all other freehold, leasehold or commonhold property which is subject to any Security created by or under the Security Agreement

Permitted Security as defined in the Facility Agreement

Schedule 1

Properties

Commercial Property 1 Downing Plaza, Gallowgate, Newcastle upon Tyne
Distribution Fund 1



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

**COMPANY NO. 6865668
CHARGE NO. 1**

**THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A SECURITY AGREEMENT DATED 24
SEPTEMBER 2009 AND CREATED BY CP DISTRIBUTION 1 (GP)
LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME
DUE FROM THE COMPANY TO ABBEY NATIONAL TREASURY
SERVICES PLC 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 1 OCTOBER 2009**

GIVEN AT COMPANIES HOUSE, CARDIFF THE 1 OCTOBER 2009



Companies House
— for the record —



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**