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COMPANIES FORM No. 395

236967/13.

Particulars of a mortgage or charge

395

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

CHFP025

Please do not write in this margin

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

*insert full name of Company

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number



04298209

Name of company

* Parabola Land Limited (the "Chargor")

Date of creation of the charge

16 May 2005

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

5 Deventure (the "Deventure") dated 16 May 2005, between the Chargor and Eurohypo AG, London Branch (the "Security Trustee").

Amount secured by the mortgage or charge

7 All monies, obligations and liabilities covenanted to be paid or discharged pursuant to clause 2 (Covenants to Pay) (defined below) of the Deventure (the "Secured Liabilities").

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

Eurohypo AG, London Branch as Security Trustee
90 Long Acre
London
Postcode WC2E 9RA

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

Herbert Smith
Exchange House, Primrose Street, London, , EC2A 2HS

30852767/6511

Time critical reference

For official Use (02/00)

Mortgage Section

Post room



A18
COMPANIES HOUSE

0692
20/05/05

Short particulars of all the property mortgaged or charged

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.

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

Signed *Nebst Smith LLP*

Date *17/5/05*

On behalf of ~~XXXXXX~~ [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 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

**SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED:
CONTINUATION SHEET**

NAME OF CHARGOR: PARABOLA LAND LIMITED

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2. COVENANTS TO PAY

2.1 Covenant to Pay Secured Liabilities

The Chargor covenants that it shall on demand pay to the Security Trustee all monies and discharge all obligations and liabilities now or hereafter due, owing or incurred by it to any Finance Party under or pursuant to the Finance Documents or any Mezzanine Finance Party under or pursuant to the Mezzanine Finance Documents in each case when the same become due for payment or discharge whether by acceleration or otherwise, and whether such monies, obligations or liabilities are expressed or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to a Finance Party or Mezzanine Finance Party or purchased (whether by assignment or otherwise) or acquired in any other way by it; denominated in sterling or any other currency; or incurred on any current or other banking account or in any other manner whatsoever.

2.2 Potential Invalidity

Neither the covenant to pay in Clause 2.1 (*Covenant to Pay Secured Liabilities*) of the Debenture nor the security created by the Debenture shall extend to or include any liability or sum which would, but for Clause 2.2 of the Debenture cause such covenant or security to be unlawful under any applicable law.

3. SECURITY

3.1 Creation of Fixed Security

The Chargor charges to the Security Trustee by way of fixed charge (which so far as relates to freehold or leasehold property in England and Wales vested in the Chargor at the date of the Debenture shall be a charge by way of legal mortgage) with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Chargor's rights to and title and interest from time to time in any and each of the following:

- 3.1.1 the Real Property;
- 3.1.2 all plant, machinery, vehicles, computers, office and other equipment and chattels (excluding stock-in-trade or work in progress) and all Related Property Rights;
- 3.1.3 (to the extent that the same are not the subject of a fixed charge under Clause 3.1.4 of the Debenture) all Debts;
- 3.1.4 all Account Proceeds save for any amount standing to the credit of the Trust Account;
- 3.1.5 all of its Securities;
- 3.1.6 all of its Intellectual Property Rights;
- 3.1.7 all goodwill and uncalled capital; and
- 3.1.8 (to the extent not effectively assigned under Clause 3.2 of the Debenture (*Assignments*)), the Insurance Policies and the Insurance Proceeds.

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3.2 Assignments

The Chargor assigns to the Security Trustee with full title guarantee as a continuing security for the payment and discharge of the Secured Liabilities all of the Chargor's rights to and title and interest from time to time in:

- 3.2.1 all Rental Income
 - 3.2.2 any guarantee of Rental Income contained in or relating to any Lease Document;
 - 3.2.3 the Insurance Policies and the Insurance Proceeds and all Related Property Rights in respect of the above;
 - 3.2.4 the Development Documents and any guarantees, warranties and/or other agreements collateral to the Development Documents and under all licences and permissions obtained by the Chargor from time to time for the purposes of any Development or otherwise for the business of the Chargor;
 - 3.2.5 any Hedging Arrangements; and
 - 3.2.6 any Managing Agent Agreement,
- and all Related Property Rights in respect of the above.

3.3 Preservation of Fixed Charge

Without prejudice to Clause 3.1.3 (*Creation of Fixed Security*) and Clause 3.2 (*Assignment*) of the Debenture, if, pursuant to Clause 20 (*The Accounts*) of the Credit Agreement, the Chargor is entitled to withdraw the proceeds of any book and other debts standing to the credit of an Account and, as a result, those proceeds are in any way released from the fixed charge created pursuant to Clauses 3.1.4 (*Creation of Fixed Security*) and 3.2 (*Assignments*) of the Debenture and stand subject to the fixed charge created pursuant to Clause 3.1.3 (*Creation of Fixed Security*) of the Debenture or the floating charge created pursuant to Clause 4.1 (*Creation of Floating Charge*) of the Debenture, the release will in no way derogate from the subsistence and continuance of the fixed charge on all other outstanding book and other debts of the Chargor and the proceeds of those debts.

4. FLOATING CHARGE

4.1 Creation of Floating Charge

- 4.1.1 The Chargor charges to the Security Trustee by way of first floating charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Chargor's rights to and title and interest from time to time in the whole of its assets whatsoever and wheresoever, present and future, other than any assets validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 3.1 (*Creation of Fixed Security*) or 3.2 (*Assignments*) of the Debenture. For the avoidance of doubt, the first floating charge created by Clause 4.1.1 of the Debenture does not purport to include a charge over any amount standing to the credit of the Trust Account in which the Chargor does not have any beneficial interest.

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4.1.2 The floating charge hereby created is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

4.2 Automatic Crystallisation of Floating Charge

Notwithstanding anything express or implied in the Debenture, and without prejudice to any law which may have similar effect, if:

- 4.2.1 the Chargor creates or attempts to create any Security over all or any of the Charged Assets save as expressly permitted under the Credit Agreement; or
- 4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Assets; or
- 4.2.3 a resolution is passed or an order is made for the winding up, dissolution, administration or other reorganisation of the Chargor,

then the floating charge created by Clause 4.1 (*Creation of Floating Charge*) of the Debenture will automatically (without notice) be converted into a fixed charge as regards all of the assets subject to the floating charge.

4.3 Crystallisation on Notice of Floating Charge

Notwithstanding anything express or implied in the Debenture, the Security Trustee may at any time:

- 4.3.1 following the occurrence of a Default; or
- 4.3.2 if the Security Trustee considers in good faith that any of the Charged Assets are in danger of being seized or sold as a result of any legal process, are otherwise in jeopardy or the Security Trustee reasonably believes that steps are being taken or have been taken likely to lead to the presentation of a petition for the administration or winding-up of the Chargor,

by giving notice in writing to that effect to the Chargor convert the floating charge created by Clause 4.1 (*Creation of Floating Charge*) of the Debenture into a fixed charge as regards any assets specified in such notice. The conversion shall take effect immediately upon the giving of the notice.

5. FURTHER ASSURANCE

The Chargor must promptly upon request by the Security Trustee execute (in such form as the Security Trustee may reasonably require) such documents (including assignments, transfers, mortgages, charges, notices and instructions) in favour of the Security Trustee or its nominees and do all such assurances and things as the Security Trustee may reasonably require for:

- 5.1.1 perfecting and/or protecting (by registration or in any other way) the security created or intended to be created by the Debenture;
- 5.1.2 conferring upon the Security Trustee such security as it may require over the assets of the Chargor outside of England and Wales which if in England or Wales would form part of or be intended to form part of the Charged Assets;

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- 5.1.3 facilitating the realisation of all or any part of the assets of the Chargor; and
- 5.1.4 for exercising all powers, authorities and discretions conferred on the Security Trustee or any Receiver pursuant to the Debenture or by law.

6. NEGATIVE PLEDGE

The Chargor undertakes to the Security Trustee with respect to the Charged Assets that it shall not, except as expressly permitted by the Credit Agreement, create or attempt to create or permit to subsist or arise any Security on, over or affecting the Charged Assets or any part of them.

7. DEFINITIONS

The terms used in this Companies Form 395 have the meaning set out below:

"Account" means each of the General Account, the Rent Account, the Cost Overrun Account, the Retention Account, the Rectification Account, the Mezzanine Account or the Trust Account.

"Account Proceeds" means all amounts (including interest) from time to time standing to the credit of any bank or other account of the Chargor with any bank, building society, financial institution or other person (including the Accounts) and the debts represented thereby.

"Additional Subordinated Creditor" means each person acceding to the Deed of Subordination as a Subordinated Creditor by executing and delivering a Subordinated Creditor Accession Agreement.

"Administrative Party" means the Arranger, Agent or Security Trustee.

"Agent" means Eurohypo AG, London Branch as agent of the other Finance Parties under the Credit Agreement and the Mezzanine Credit Agreement.

"Agreement for Lease" means a binding unconditional agreement to grant an Occupational Lease of all or part of the Property.

"Approved Development" means the Development of the Property in accordance with the Planning Permission and Specification.

"Arranger" means Eurohypo AG, London Branch as arranger under the Credit Agreement and the Mezzanine Credit Agreement.

"Borrower" means Parabola Land Limited, a company registered in England and Wales under company number 04298209 as borrower under the Credit Agreement and the Mezzanine Credit Agreement.

"Budgeted Costs" means the itemised budgeted costs and expenses relating to the Approved Development and the financing of the Approved Development and (other than general corporate purposes) any other purpose specified in Clause 3.1.1 (*Purpose*) of the Credit Agreement, in the form approved by the Agent (acting reasonably) prior to the first Utilisation Date with such amendments as may be approved by the Agent (acting reasonably) thereafter to reflect, amongst other things, the Agent's reasonable estimate of

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interest fees and other amounts which will become payable to the Finance Parties prior to the Development Repayment Date.

"Building Contract" means the building contract with the Contractor for the Approved Development in the form approved by the Agent (acting reasonably) prior to the first Utilisation Date.

"Charged Assets" means the assets mortgaged, charged or assigned pursuant to Clauses 3 (*Security*) and 4.1 (*Creation of Floating Charge*) of the Debenture (as defined above).

"Collateral Warranty" means each collateral warranty including in the case of Sir Robert MacAlpine Limited, Ove Arup & Partners, Gardiner & Theobald LLP and Dixon Jones, including where relevant appropriate step in rights for the Agent) provided or to be provided by the Contractor or a Professional or, where required by the Agent, a sub-contractor of the Contractor in favour of the Agent in the form approved by the Agent (acting reasonably) prior to the first Utilisation Date.

"Contract Guarantee" means the guarantee of the Contractor's obligations under the Building Contract given or to be given by the Contractor Guarantor.

"Contractor" means Sir Robert MacAlpine Limited as building contractor for the Approved Development.

"Contractor Guarantor" means Sir Robert MacAlpine (Holdings) Limited as guarantor of the obligations of the Contractor under the Building Contract.

"Cost Overrun" means the amount by which the total cost of carrying out the construction and development works required and/or the total cost of the services provided by the Professionals in connection with the Approved Development and the total cost of capitalising interest, fees or costs under the Finance Documents exceeds the relevant item in the Budgeted Costs for the Approved Development except that any increase in the total cost of carrying out the construction and development works arising from any GMG Specification Change shall not be a Cost Overrun until the date falling 30 days after the day on which the Guardian Media Group plc became due to reimburse the Borrower for such cost but shall be a Cost Overrun if such cost remains unpaid by the Guardian Media Group plc at that date.

"Cost Overrun Account" means the account referred in Clause 20.1.3 (*Bank Accounts*) of the Credit Agreement.

"Cost Overrun Guarantee" means the deed of guarantee relating to Cost Overruns entered into or to be entered into between (1) the Cost Overrun Guarantor and (2) the Security Trustee.

"Cost Overrun Guarantor" means Parabola Estates Limited (a company registered in England and Wales under company number 03540618).

"Counterparty" means Eurohypo AG, London Branch as counterparty to certain hedging arrangements under the Credit Agreement and the Mezzanine Credit Agreement.

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"Credit Agreement" means the £131,000,000 term loan facility agreement between (1) the Chargor (as Borrower) and (2) the Security Trustee (as agent, arranger, lender and counterparty to certain hedging arrangements) dated on or about the date of the Debenture.

"Debts" means all of the Chargor's present and future book and other debts, revenues and monetary claims, whether actual or contingent, and whether originally owing to the Chargor or purchased or acquired by it, and all things in action which may give rise to any debt, revenue or monetary claim and the benefit of any related Security, guarantee or other rights of any nature relating thereto and any proceeds of any of the above.

"Deed of Subordination" means the deed of subordination entered into or to be entered into between (1) the Security Trustee, (2) the Borrower and (3) each Subordinated Creditor.

"Default" means an Event of Default or any event or circumstance specified in Clause 23 (*Events of Default*) of the Credit Agreement which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

"Developer's Bond" means the performance bond issued in favour of the Borrower with respect to the obligations of the Contractor under the Building Contract in the form required by the Building Contract.

"Development" means any building works, construction, demolition, site clearance or other works of whatever nature in relation to the Property or any part of the Property other than internal non structural work on the Property.

"Development Documents" means the following documents:

- (A) the Building Contract;
- (B) the Developer's Bond;
- (C) a Professional Appointment;
- (D) if issued, the Retention Bond;
- (E) each Collateral Warranty;
- (F) the Contract Guarantee, and

any other document designated as such by the Agent and the Borrower.

"Development Facility" means the development term loan facility made available under the Credit Agreement as described in Clause 2.1.1 (*The Facility*) of the Credit Agreement.

"Development Loan" means a loan made or to be made under the Development Facility or the principal amount outstanding for the time being of that loan.

"Development Repayment Date" means the earlier of:

- (A) the sixth anniversary of the date of the Credit Agreement; or
- (B) the third anniversary of Practical Completion.

"Employer's Agent" means Gardiner & Theobald LLP.

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"Event of Default" means any event or circumstance specified as such in Clause 23 (*Events of Default*) of the Credit Agreement.

"Facility" means the Development Facility or the Investment Facility.

"Fee Letter" means any letter or letters dated on or about the date of the Credit Agreement between the Arranger and the Borrower (or the Agent and the Borrower) setting out any of the fees referred to in Clause 11 (*Fees*) of the Credit Agreement.

"Finance Documents" means:

- (A) the Credit Agreement;
- (B) the Security Documents;
- (C) the Deed of Subordination;
- (D) the Hedging Arrangements;
- (E) any Fee Letter;
- (F) any Subordinated Creditor Accession Agreement; or
- (G) any Mezzanine Intercreditor Agreement;

or any other document designated as such by the Agent and the Borrower.

"Finance Party" means each Administrative Party, the Counterparty or a Lender.

"General Account" means the account referred to in Clause 20.1.1 (*Bank Accounts*) of the Credit Agreement.

"GMG Specification Change" means any change to the Specifications requested by the Guardian Media Group plc in accordance with Clause 5.3 of Schedule 2 to the Guardian Agreement for Lease to which the Agent has given its consent in accordance with Clause 21.2.5(B) (*Development Covenants*) of the Credit Agreement.

"Guardian Agreement for Lease" means the Agreement of Lease dated 16 March 2005 between the Borrower and the Guardian Media Group plc.

"Handover Assessor" means the professional consultant appointed jointly by the Borrower and the Guardian Media Group plc to certify that handover has occurred in accordance with the Guardian Agreement for Lease.

"Hedging Arrangements" means any interest rate hedging arrangements entered into by the Borrower with the approval of the Agent (acting reasonably) for the purpose of hedging interest payable under the Credit Agreement.

"Insurance Policies" means all present and future contracts or policies of insurance (including life policies) in which the Chargor has an interest or in which it may from time to time have an interest (whether solely, jointly, as loss payee or otherwise).

"Insurance Proceeds" means all monies from time to time payable to the Chargor under or pursuant to the Insurance Policies, including (without limitation) the refund of any premiums.

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"Intellectual Property Rights" means all patents, patent applications, trade marks and service marks (whether registered or not), trade mark and/or service mark applications, trade names, registered designs, design rights, copyrights, computer software, know-how, trade secrets, inventions and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and the rights to use such assets and all Related Property Rights.

"Investment Facility" means the investment loan facility made available under the Credit Agreement as described in Clause 2.1.2 (*The Facility*) of the Credit Agreement.

"Investment Facility Retention" means an amount equal to the Agent's estimate (acting reasonably and on the advice of the Project Monitor) at the time of the Utilisation of an Investment Loan of:

- (A) any unpaid costs and expenses of the Borrower relating to the Approved Development;
- (B) (i) if the Property is fully let, Void Property Costs for the period from the date of Utilisation to the date on which all tenants become fully liable for the costs of each item set out in paragraphs (A) to (E) of the definition of Void Property Costs; or
(ii) if the Property is not fully let, the aggregate of all Void Property Costs payable as a result of any tenant not being liable for Void Property Costs under any Occupational Lease and the Agent's estimate (acting reasonably and on the advice of the Project Monitor) of all Void Property Costs with respect to any part of the Property not subject to an Occupational Lease based on the Valuer's advice as to when that part of the Property will be let;
- (C) any future amount which the Borrower will not be able to meet as it falls due under any Finance Document based on the Agent's estimate (acting reasonably and on the advice of the Project Monitor) of Projected Finance Costs and Projected Annual Rental until the Investment Repayment Date.

"Investment Loan" means a loan made or to be made under the Investment Facility or the principal amount outstanding for the time being of that loan.

"Investment Repayment Date" means the tenth anniversary of the date of the Credit Agreement.

"Lease Document" means any Occupational Lease or Agreement for Lease.

"Lender" means:

- (A) any Original Lender; and
- (B) any person become a Party in accordance with Clause 24 (*Changes to the Lenders*) of the Credit Agreement,

which in each case has not ceased to be a Party in accordance with the terms of the Credit Agreement.

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"Managing Agent" means any managing agent of the Property appointed in accordance with Clause 22.10 (*Managing Agents*) of the Credit Agreement.

"Managing Agent Agreement" means an agreement (in form and substance satisfactory to the Agent) (acting reasonably) appointing a Managing Agent to manage the Property.

"Mezzanine Account" means the account referred to in Clause 20.1.6 (*Bank Accounts*) of the Credit Agreement.

"Mezzanine Credit Agreement" means the £8,500,000 credit agreement dated on or about the date of the Debenture between Parabola Land Limited as Borrower, and Eurohypo AG, London Branch as agent, security trustee, counterparty and lender.

"Mezzanine Finance Document" means:

- (A) the Mezzanine Credit Agreement;
- (B) the Security Documents;
- (C) the Deed of Subordination;
- (D) the Hedging Arrangements;
- (E) any Fee Letter;
- (F) any Subordination Creditor Accession;
- (G) any Mezzanine Intercreditor Agreement.

or any other document designated as a Finance Document by the Agent and the Borrower under the Mezzanine Credit Agreement.

"Mezzanine Finance Party" means each Finance Party under the Mezzanine Credit Agreement.

"Mezzanine Intercreditor Agreement" means the Mezzanine Intercreditor Agreement entered into or to be entered into on or about the date of the Mezzanine Credit Agreement between, amongst others, the Borrower, the Finance Parties and the Finance Parties under the Mezzanine Credit Agreement in form and substance satisfactory to the Agent.

"Net Rental Income" means Rental Income but excluding (to the extent otherwise included) the following amounts:

- (A) those amounts (if any) (together with any VAT charged thereon) due to the Borrower from any tenants under an Occupational Lease or other occupiers by way of contribution to insurance premiums and the cost of insurance valuations or by way of service charges in respect of costs incurred or to be incurred by the Borrower under any repairing or similar obligations or in providing services to such tenant or tenants of such building;
- (B) any contribution to a sinking fund paid by any tenant or other occupier; and
- (C) any VAT payable to the Borrower on any of the items listed in paragraphs (A) to (K) of the definition of Rental Income.

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"Occupational Lease" means any occupational lease or licence or other right of occupation to which the Property may be subject from time to time.

"Original Lender" means Eurohypo AG, London Branch.

"Party" means a party to the Credit Agreement or the Mezzanine Credit Agreement.

"Permitted Operating Costs" means the Borrower's estimate (approved by the Agent (acting reasonably)) of the irrevocable operating costs to be incurred by the Borrower with respect to the Property in the relevant period.

"Planning Permission" means the planning permission dated 27th October 2004 (no. PO32145) and conservation area consent for the redevelopment of an 8 storey plus three basements building of 51,403 sq. m. comprising B1 offices, restaurants, bars and cafés, a 425 seat concert hall, art gallery, associated car parking and servicing

"Practical Completion" means:

- (A) the written statement of practical completion (as defined in the Building Contract) has been issued by the Employer's Agent;
- (B) any costs and expenses incurred by the Borrower in connection with the Approved Development to achieve the issue of the certificate of practical completion have been met or an Investment Facility Retention with respect to any unpaid costs and expenses has been agreed by the Agent; and
- (C) the Project Monitor has confirmed to the Agent that the Employer's Agent has acted reasonably and in accordance with the Building Contract and good industry practice in issuing the written statement of practical completion.

"Professional" means the architect, the engineer, the quantity surveyor, the Employer's Agent, the M&E consultant or any other consultant with a design or project management responsibility appointed by the Borrower for the Approved Development in each case with the prior written approval of the Agent (acting reasonably).

"Professional Appointment" means an agreement for the appointment of a Professional or the Handover Assessor for the Approved Development in the form approved by the Agent (acting reasonably) in writing prior to the Borrower entering into that Professional Appointment.

"Projected Annual Rental" means, in respect of any relevant period, an estimate by the Borrower (approved by the Agent (acting reasonably)) on any relevant date of the Net Rental Income (but including in such estimate only Rental Income falling within paragraphs (A) to (C) and, other than in the case of any calculation of Projected Interest Cover under Clause 4.2.3 (*Conditions Precedent*) of the Credit Agreement and paragraph (H) of the definition of Rental Income) for the relevant period and in determining Projected Annual Rental:

- (A) the Agent shall assume that a break clause in any Lease Document will be exercised on the earliest date available to the relevant tenant unless:

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- (1) a new Lease Document has been entered into to take effect immediately upon that break in which case the rent payable under that Lease Document will be taken into account; or
- (2) the Agent has received confirmation, in form and substance satisfactory to the Agent (acting reasonably) that such break clause will not be exercised,

provided that any fixed break penalties to be paid to the Borrower on the exercise of such a break clause will be taken into account in calculating Projected Annual Rental as if they were an advance payment of Rental Income at the time the break clause was exercised;

- (B) Rental Income shall be ignored unless payable under an unconditional and binding Lease Document;
- (C) potential increases in Rental Income as a result of rent reviews shall be ignored unless the reviewed rent has been settled by agreement or other resolution;
- (D) Rental Income payable by a tenant that is three or more months in arrears shall be ignored;
- (E) Rental Income will be reduced by the amount (together with any VAT or similar taxes) of ground rent, rates, service charges, insurance premia, maintenance or other outgoings with respect to each Property to the extent that those items are not fully funded by tenants under the Lease Documents; and
- (F) Rental Income will be increased by the amount of any monies to be released in the relevant period from the Retention Account, in accordance with clause 20.5 (*Retention Account*) of the Credit Agreement.

"Projected Finance Costs" means, in respect of any relevant period, an estimate by the Borrower (approved by the Agent (acting reasonably)) of the aggregate amount of all interest, fees (other than the arrangement fee) and other periodic payments (other than any prepayment forecast to be made during the period in accordance with Clause 20.3(F) (*Rent Account*) of the Credit Agreement payable to the Finance Parties under the Finance Documents for that period.

"Projected Interest Cover" means, for the 12 month period commencing on the date on which Projected Interest Cover is being tested, Projected Annual Rental as a percentage of Projected Finance Costs for that period.

"Project Monitor" means Watts & Partners or such other chartered surveyor or project manager as may be appointed by the Agent in relation to the Approved Development.

"Property" means all the freehold land and buildings at 82-96 York Way and Crinan Street, London N1, (registered at the Land Registry with title number NGL233517) to be known as Kings Place and as more particularly described in the Debenture.

"Real Property" means:

- (A) all of the freehold and/or leasehold property of the Chargor in the Property;

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- (B) all freehold and leasehold property or immovable property of the Chargor situate in England and Wales (other than the property referred to in paragraph (A) above);
- (C) any buildings, fixtures (including trade fixtures), fittings, fixed plant or machinery from time to time on or forming part of the property referred to in paragraphs (A) and (B) above; and
- (D) the Related Property Rights.

"Receiver" means any person appointed by the Security Trustee to be a receiver or receiver and manager or administrative receiver of any property subject to the security created by the Debenture.

"Rectification Account" means the account referred to in Clause 20.1.5 (Bank Accounts) of the Credit Agreement.

"Related Property Rights" means, in relation to any property or asset:

- (A) the proceeds of sale and/or other realisation of that property or asset (or any part thereof or interest therein);
- (B) all Security, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such property or asset; and
- (C) all rights under any lease, licence or agreement for lease, sale or use in respect of such property or asset.

"Related Securities Rights" means all allotments, rights, benefits and advantages (including all voting rights) at any time accruing, offered or arising in respect of or incidental to any Securities and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of Securities.

"Rent Account" means the account referred to in Clause 20.1.2 (*Bank Accounts*) of the Credit Agreement.

"Rental Income" means the aggregate of all amounts payable to or for the benefit or account of the Borrower in connection with the letting of the Property or any part thereof, including each of the following amounts so payable:

- (A) rent (and any amount equivalent thereto) payable whether it is variable or not and however or wherever it is described, reserved or made payable;
- (B) any increase of rent payable by virtue of an offer falling within the proviso of Section 3(1) of the Landlord and Tenant Act 1927;
- (C) any rent payable by virtue of a determination made by the Court under Section 24(A) of the Landlord and Tenant Act 1954;
- (D) any sum received from any deposit held as security for performance of any tenant's obligations (excluding any sum which is payable to that tenant);

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- (E) any other moneys payable in respect of occupation and/or usage of the Property and every fixture and fitting therein and every fixture thereon for display or advertisement, on licence or otherwise;
- (F) any profits awarded or agreed to be payable as a result of any proceedings taken or claim made for the same;
- (G) any damages, compensation, settlement or expenses for or representing loss of rent or interest thereon awarded or agreed to be payable as a result of any proceedings taken or claim made for the same net of any costs, fees and expenses paid (and which have not been reimbursed to, and which are not recoverable by, the Borrower from any party) in furtherance of such proceedings so taken or claim so made;
- (H) any moneys payable under any policy of insurance in respect of loss of rent or interest thereon;
- (I) any sum payable or the value of any consideration to be given by or on behalf of a tenant for the surrender or variation of any Lease Document or occupancy agreement;
- (J) any sum payable by any guarantor of any occupational tenant under any Lease Document; and
- (K) any interest payable on any sum referred to above and any damages, compensation or settlement payable in respect of the same.

"Retention Account" means the account referred to in Clause 20.1.4 (*Bank Accounts*) of the Credit Agreement.

"Retention Bond" means a bond issued or to be issued in favour of the Borrower in lieu of the deduction of a retention from the Contractor under the Building Contract.

"Securities" means all of the Chargor's right, title, benefit and interest in all stocks, shares, bonds, notes, warrants and other securities of any kind whatsoever whether in bearer or registered form, and all other interests in any person and all Related Securities Rights whether the same are held directly by or to the order of the Chargor or by any trustee, fiduciary, clearance system (including any depository for any clearance system and any other person whose business is or includes the provision of clearance services or the provision of security accounts or any nominees or depository for any such person), custody system, settlement system (including Crestco Limited for the London Stock Exchange plc and the Central Gilts Office Service for transactions in gilt edged stocks and any nominees thereof) or custodian on behalf of the Chargor or whether the same have been delivered to or to the order of the Security Trustee or its nominee including all Related Securities Rights, all Related Property Rights and all rights against any such trustee, fiduciary, clearance system or other person holding such to the order of the Chargor.

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

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"Security Documents" means the Debenture, the Share Mortgage, the Cost Overrun Guarantee and any further legal or other charge or other security or assurance granted to the Security Trustee on behalf of the Finance Parties in respect of the obligations of the Borrower.

"Share Mortgage" means a first ranking share mortgage granted or to be granted in favour of the Security Trustee over the entire issued share capital of the Borrower.

"Specifications" means those drawings, plans and specifications for the Approved Development which have been approved by the Agent (acting reasonably) prior to the first Utilisation Date and/or such other plans, drawings and specifications in addition to or in variation thereof as may be approved by the Agent (acting reasonably) after the date of the Credit Agreement.

"Subordinated Creditor" means, the Cost Overrun Guarantor; the trustees of the Corinthian Capital Trust; the trustees of the Dorian Development Trust; Peter Millican; or an Additional Subordinated Creditor.

"Subordinated Creditor Accession Agreement" means an agreement substantially in the form set out in schedule 2 to the Deed of Subordination with such amendments as the Security Trustee may approve or require.

"Transaction Document" means:

- (A) any Finance Document;
- (B) any Mezzanine Finance Document;
- (C) any Development Document;
- (D) any Duty of Care Agreement;
- (E) any Managing Agent Agreement;
- (F) any document evidencing or under which Subordinated Debt is made available;
- (G) any Lease Document;
- (H) the Guardian Letter; and
- (I) any other document designated as such by the Agent and the Borrower.

"Trust Account" means the account referred to in Clause 20.1.1 (*Bank Accounts*) of the Credit Agreement.

"Utilisation" means a utilisation of a Facility.

"Utilisation Date" means the date of a Utilisation, being the date on which a drawing is to be made under a Facility.

"Valuer" means CB Richard Ellis or such other surveyor or valuer appointed by the Agent after consultation with the Borrower.

"VAT" means value added tax as provided for in the Value Added Tax Act 1994 and other tax of a similar nature, whether imposed in the UK or elsewhere.

**SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED:
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"Void Property Costs" means either:

- (i) with respect to any part of the Property that is not subject to an Occupational Lease; or
- (ii) with respect to any part of the Property the subject of an Occupational Lease the provision of which provide that the tenant is not liable for the costs listed in (A) to (E) below for any period,

the Borrower's estimate (approved by the Agent (acting reasonably)) of the amounts that would otherwise have been payable by a or the tenant of that part of the Property in respect of:

- (A) insurance premiums;
- (B) the cost of insurance valuations;
- (C) service charge in respect of costs incurred by the Borrower under repairing and similar obligations and rates and other outgoings;
- (D) service charge with respect to providing service to the tenants; and
- (E) contributions to any sinking fund,

during that period had the property been the subject of an Occupational Lease and/or the tenant been liable to pay such costs.

8. CONSTRUCTION

References in the Debenture or this Form 395 to any Transaction Document or any other agreement or instrument is a reference to that Transaction Document or other agreement or instrument as amended, restated, supplemented or novated.

FILE COPY



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

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

COMPANY No. 04298209

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 16th MAY 2005 AND CREATED BY PARABOLA LAND LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO EUROHYPO AG LONDON BRANCH AS 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 20th MAY 2005.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24th MAY 2005.

PO



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —