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Please do not write in this margin

COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

Pursuant to section 395 of the Companies Act 1985

CHA 116

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

* insert full name of company

To the Registrar of Companies

For official use

Company number



3417993

Name of company

* NHP Securities No.4 Limited (the "Chargor")

Date of creation of the charge

28 January 1998

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

A debenture (the "Debenture") dated 28 January 1998 and granted by LLNHP Partnership (acting through its Partners), the Chargor and Lend Lease NH Limited in favour of The Governor and Company of the Bank of Scotland as trustee for the Beneficiaries (the "Security Trustee").

Amount secured by the mortgage or charge

Each and every liability which the Obligors may at the date of the Debenture or thereafter have to the Security Trustee (whether for its own account or as trustee for the Beneficiaries) or any of the other Beneficiaries (and whether solely or jointly with one or more persons and whether as principal or as surety) under or pursuant to the Facility Documents (including the Debenture) including any liability in respect of any further advances made thereunder and every sum (of principal, interest or otherwise) at the date of the Debenture or thereafter owing, due or incurred by the Obligors to the Security Trustee (whether for its own account or as trustee for the Beneficiaries) or any of the other Beneficiaries in respect of any such liabilities (the "Secured Obligations").

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

The Governor and Company of the Bank of Scotland
Telford House
3 Mid New Cultins
Edinburgh EH11 4DH

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

Clifford Chance
200 Aldersgate Street
London
EC1A 4JJ
Ref: DAD/FK/B1189/760/PDE
DAD\$01\$8.LFD

Time critical reference

For official use
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

See attached Schedule

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

Clifford Chance

Date

2/2/98

On behalf of [company] [mortgagee/chargee] †

† delete as appropriate

NOTES

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.

SCHEDULE

Particulars of all the property mortgaged or charged

- A. The Chargor on behalf of LLNHP with full title guarantee:
1. charges in favour of the Security Trustee as trustee for the Beneficiaries with the payment and discharge of the Secured Obligations by way of first fixed charge (which so far as it relates to land in England and Wales vested in LLNHP or either of, or both of, the Partners at the date hereof shall be a charge by way of legal mortgage) each of the following, namely:
 - (a) the Real Property other than Scottish Real Property and the Northern Irish Real Property;
 - (b) all rights and claims to which LLNHP and each Partner is at the date of the Debenture or may thereafter become entitled in relation to all monies at the date of the Debenture or at any time thereafter standing to the credit of any bank accounts (including the Cash Collateral Account and any Special Accounts) opened or maintained with the Security Trustee together with all rights relating or attaching thereto (including the right to interest);
 - (c) all goodwill at the date of the Debenture or at any time thereafter belonging to LLNHP;
 2. assigns to the Security Trustee as trustee for the Beneficiaries (unless such shall not be capable of assignment and subject to any necessary consents to any such assignment being forthcoming) all right, title and interest of LLNHP and each Partner in and to each of the following:
 - (a) all rights and claims to which LLNHP and each Partner is at the date of the Debenture or may thereafter become entitled in relation to the Real Property including those against any manufacturer, supplier or installer of such property, any builder, contractor or professional adviser engaged in relation to any such property and any lessee, sub-lessee or licensee of any of the Real Property and any guarantor or surety for the obligations of such person but excluding those in relation to the Documents;
 - (b) all rights and claims to which LLNHP and each Partner is at the date of the Debenture or may thereafter become entitled in relation to the proceeds of any of the Insurance Policies (and for the avoidance of doubt excluding such proceeds as may be payable to third parties under any public liability insurance of LLNHP's or either Partner);

- (c) all present and future book and other debts and monetary claims at the date of the Debenture or at any time thereafter due or owing to LLNHP and each Partner which are not otherwise subject to a fixed charge or assigned (whether at law or in equity) to the Security Trustee by or pursuant to the Debenture and all rights relating thereto including any security or remedies therefor;
 - (d) all rights and claims to which LLNHP and each Partner is at the date of the Debenture or may thereafter become entitled in relation to all monies at the date of the Debenture or at any time hereafter standing to the credit of any bank accounts (including any Special Accounts) opened or maintained with a bank other than the Security Trustee and all rights relating or attaching thereto (including the right to interest);
 - (e) all Investments to which LLNHP and each Partner is at the date of the Debenture or may thereafter become entitled;
 - (f) all rights and claims to which LLNHP and each Partner is at the date of the Debenture or may thereafter become entitled under or in respect of the Documents other than documents relating to Scottish Real Property;
 - (g) all rights to which any Obligor is at the date of the Debenture or may thereafter become entitled in respect of the proceeds of any order of the court made pursuant to sections 238(3), 239(3) or 244 of the Insolvency Act 1986;
3. charges in favour of the Security Trustee as trustee for the Beneficiaries with the payment and discharge of the Secured Obligations by way of first floating charge:
- (a) the whole of LLNHP's and each Partner's undertaking, property and assets, present and future, other than the Scottish Charged Property and any assets for the time being effectively charged to the Security Trustee by way of fixed charge or effectively assigned (whether at law or in equity) to the Security Trustee or otherwise subject to an effective fixed security in favour of the Security Trustee; and
 - (b) the Scottish Charged Property vested in LLNHP and each Partner.
- B. To the extent not otherwise charged pursuant to the Debenture, the Chargor with full title guarantee:
1. charges in favour of the Security Trustee as trustee for the Beneficiaries with the payment and discharge of the Secured Obligations by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Chargor at the date of the Debenture shall be a charge by way of legal mortgage) each of the following, namely:

- (a) the Real Property other than Scottish Real Property and the Northern Irish Real Property;
 - (b) all rights and claims to which the Chargor is at the date of the Debenture or may thereafter become entitled in relation to all monies at the date of the Debenture or at any time thereafter standing to the credit of any bank accounts (including the Cash Collateral Account and any Special Accounts) opened or maintained with the Security Trustee together with all rights relating or attaching thereto (including the right to interest);
 - (c) all goodwill at the date of the Debenture or at any time thereafter belonging to the Chargor;
2. assigns to the Security Trustee as trustee for the Beneficiaries (unless such shall not be capable of assignment and subject to any necessary consents to any such assignment being forthcoming) all the Chargor's right, title and interest in and to each of the following:
- (a) all rights and claims to which the Chargor is at the date of the Debenture or may thereafter become entitled in relation to the Real Property including those against any manufacturer, supplier or installer of such property, any builder, contractor or professional adviser engaged in relation to any such property and any lessee, sub-lessee or licensee of any of the Real Property and any guarantor or surety for the obligations of such person but excluding those in relation to the Documents;
 - (b) all rights and claims to which the Chargor is at the date of the Debenture or may thereafter become entitled in relation to the proceeds of any of the Insurance Policies (and for the avoidance of doubt excluding such proceeds as may be payable to third parties under the Chargor's public liability insurance);
 - (c) all present and future book and other debts and monetary claims at the date of the Debenture or at any time thereafter due or owing to the Chargor which are not otherwise subject to a fixed charge or assigned (whether at law or in equity) to the Security Trustee by or pursuant to the Debenture and all rights relating thereto including any security or remedies therefor;
 - (d) all rights and claims to which the Chargor is at the date of the Debenture or may thereafter become entitled in relation to all monies at the date of the Debenture or at any time thereafter standing to the credit of any bank accounts (including any Special Accounts) opened or maintained with a bank other than the Security Trustee and all rights relating or attaching thereto (including the right to interest);
 - (e) all rights and claims to which the Chargor is at the date of the Debenture or may thereafter become entitled in relation to its uncalled capital;
 - (f) by way of first fixed charge, all its rights in the Partnership Deed which are not charged in Clause 4.2(h)(ii) of the Debenture in respect of LLNHP and the right to

recover and receive all compensation which may at any time become payable in respect thereof;

(g) by way of first fixed charge, all its Capital Contribution at the date of the Debenture or at any time thereafter contributed to LLNHP;

(h) (i) by way of first fixed charge, its partnership interest in LLNHP at any time and from time to time and any certificates or other documents representing such partnership interest, all dividends, distributions, cash, securities, instruments and other property from time to time paid, payable or otherwise distributed in respect of or in exchange for all or any part of such partnership interest and all proceeds thereof; and

(ii) by way of first fixed charge, all partnership interests or securities convertible into or exchangeable for such interest issued by LLNHP, from time to time and acquired by the Chargor in substitution for or in addition to any of the foregoing, all certificates and instruments representing such interest or securities, and all dividends, distributions, cash, securities, instruments and other property from time to time paid, payable or otherwise distributed in respect of or in exchange for any or all of such interests or securities and all proceeds thereof;

(i) by way of first fixed charge, any other assets which it owns and which it may at the date of the Debenture or thereafter contribute to LLNHP for use in the business of LLNHP;

3. charges in favour of the Security Trustee as trustee for the Beneficiaries with the payment and discharge of the Secured Obligations by way of first floating charge:

(a) the whole of the Chargor's undertaking, property and assets, present and future, other than the Scottish Charged Property and any assets for the time being effectively charged to the Security Trustee by way of fixed charge or effectively assigned (whether at law or in equity) to the Security Trustee or otherwise subject to an effective fixed security in favour of the Security Trustee; and

(b) the Scottish Charged Property vested in the Chargor.

C. The Debenture also contains a covenant for Perfection of Security and Further Assurance, a Negative Pledge and a power on the part of the Security Trustee to appoint a Receiver.

Definitions

In this Form 395:

"**Agent**" means The Governor and Company of the Bank of Scotland;

"**Arranger**" means The Governor and Company of the Bank of Scotland;

"**Beneficiaries**" means the Agent, the Arranger, the Security Trustee and each of the Banks named in the First Schedule to the Facility Agreement (including any Acceding Bank which becomes a party thereto as a Bank pursuant to the terms of Clause 6 of the Facility Agreement) in each case as further referred to in the Security Trust Agreement;

"**Borrower**" means LLNHP Partnership;

"**Capital Contribution**" means the partnership capital contributed from time to time by each Partner to the Borrower pursuant to the terms of the Partnership Deed;

"**Care Home**" means a nursing home or a residential home providing medical and/or social care which is required to be registered by a Health Authority under the Relevant Act;

"**Cash Collateral Account**" means the account in the name of an Obligor designated as such, held with the Agent and charged and otherwise secured to the Security Trustee for the Beneficiaries as security for the obligations of the Obligors under the Facility Documents in accordance with the terms of the Debenture;

"**Charged Investments**" means all Investments from time to time charged in favour of, or assigned (whether at law or in equity) to, the Security Trustee by or pursuant to the Debenture;

"**Charged Property**" means, subject to any contrary indication, the undertaking, property and assets of the Obligors from time to time charged in favour of, or assigned (whether at law or in equity) to, the Security Trustee by or pursuant to the Security Documents;

"**Claims**" means the book and other debts, and monetary claims referred to in Clauses 4.1(ii) and 4.2(ii) of the Debenture (other than those referred to in Clauses 4.1(ii)(d) and 4.2(ii)(d) of the Debenture) or deriving from the Insurance Policies or the Charged Investments;

"**Documents**" means:

- (1) any Lease and any agreement to enter into any Lease;
- (2) any contract under which any Obligor agrees to acquire a Care Home or any estate or interest in any other Real Property or agrees to lease, sell, transfer or otherwise make any disposal of any such property or interest; and

- (3) any document under which any Obligor takes any security interest in the property, revenues or assets of any other person,

in each case whether such is in existence at the date of the Debenture or comes into existence at any time thereafter (and including without limitation such Documents as are listed in the Fourth Schedule to the Debenture);

"Facility Agreement" means the revolving facility agreement dated 28 January 1998 between LLNHP as borrower, the Chargor and Lend Lease NH Limited as partners in LLNHP, the Security Trustee as arranger, agent and security trustee and the Banks referred to therein;

"Facility Documents" means the Facility Agreement, the Security Documents, the Intercreditor Deed, any Transfer Certificates (as defined in the Facility Agreement) or Accession Certificates (as defined in the Facility Agreement) and all other agreements, deeds, notices, letters, statements or certificates entered into, made or given by any Obligor pursuant to the terms thereof or otherwise in connection therewith in existence at the relevant time;

"Group" means the Borrower and each of the Partners;

"Health Authority" means a Health Authority in England and Wales, a Health Board in Scotland or a Health and Social Services Board in Northern Ireland;

"Intercreditor Deed" means the deed ranking certain indebtedness of the Borrower dated 30 January 1998 and made between the Obligors, the Agent, Barclays Bank PLC and Lend Lease Corporation Limited;

"Insurance Policies" means the policies of insurance details of which are set out in the Third Schedule to the Debenture and any other policies of insurance in which the Obligors may at the date of the Debenture or thereafter have an interest;

"Investments" means stocks, shares, debentures and other securities together with all rights to and relating to stocks, shares, debentures or other securities and any other assets, rights or interests falling within any paragraph in Part I of Schedule 1 to the Financial Services Act 1986 as in force at the date hereof but so that the exceptions in the notes to paragraphs 2 and 5 and note (1) to paragraph 8 of that Part shall not apply;

"Lease" means each lease of a Care Home entered into or to be entered into by any Obligor as landlord and the relevant operator of that Care Home as lessee;

"LLNHP" means LLNHP Partnership, an English law partnership between the Partners constituted by the Partnership Deed;

"Northern Irish Charge" means, in respect of any Real Property situated in Northern Ireland, the mortgage and/or charge (in the form of the Pro-forma Northern Irish Charge with such amendments as the Agent may approve or require) granted by the relevant Obligor in relation to such Real Property as security for the obligations of the Obligors under the Facility Agreement;

"Northern Irish Real Property" means all Real Property which is subject to a Northern Irish Charge;

"Obligors" means each of the Borrower and the Partners (and **"Obligor"** shall be construed accordingly);

"Partners" means each of Lend Lease NH Limited and the Chargor (and **"Partner"** shall be construed accordingly);

"Partnership Deed" means a partnership deed dated 27 October 1997 made between the Partners, Nursing Home Properties Public Limited Company and Lend Lease Europe Holdings Limited;

"Partnership Interests" means the partnership interests specified in Clauses 4.2(h)(i) and (ii) of the Debenture;

"Pro-forma Northern Irish Charge" means the form of mortgage and/or charge satisfactory to the Agent and set out in Appendix III to the Debenture, to be used for the purposes of creating fixed security over Real Property situated in Northern Ireland as security for the obligations of the Obligors under the Facility Documents;

"Pro-forma Standard Security" means the form of Standard Security satisfactory to the Agent and set out in Appendix II to the Debenture, to be used for the purposes of creating fixed security over Real Property situated in Scotland as security for the obligations of the Obligors under the Facility Documents;

"Pro-forma Supplemental English Charge" means the form of charge supplemental to the Debenture, in the agreed form, to be used for the purposes of creating fixed security over Real Property situated in England and Wales as security for the obligations of the Obligors under the Facility Documents;

"Real Property" means all estates and other interests in freehold, feuhold, heritable, leasehold and other immovable property wheresoever situate at the date of the Debenture or thereafter belonging to the Obligors (including the registered and unregistered land, if any, in England and Wales of which any of the Obligors is the registered proprietor or owner specified or referred to in the First Schedule to the Debenture) and in all buildings, trade and other fixtures, fixed plant and machinery from time to time on any such freehold, feuhold, heritable, leasehold and other immovable property;

"Relevant Act" means:-

- (i) in the case of a Care Home located in England or Wales, the Registered Homes Act 1984;
- (ii) in the case of a Care Home located in Scotland, the Nursing Homes Registration (Scotland) Act 1968; and

- (iii) in the case of a Care Home located in Northern Ireland, the Registered Homes (Northern Ireland) Order 1992;

"Scottish Charged Property" means all of the undertaking, property and assets of the Obligors, present and future, which is from time to time situated in Scotland and all contractual and other rights and other incorporeal moveable property of the Obligors present and future which is governed by Scots law or the creation of security over which is governed by Scots law;

"Scottish Real Property" means all Real Property situated in Scotland or governed by Scots law at the date of the Debenture or thereafter vested in or belonging to any Obligor;

"Security Documents" means the Debenture, each Standard Security, each Northern Irish Charge, each Supplemental English Charge, the Security Trust Agreement and any other guarantee, security or other documentation entered into or to be entered into in connection therewith by the Borrower or any member of the Group;

"Security Trust Agreement" means the agreement between the Security Trustee and the Beneficiaries whereby, inter alia, the trust of the Security Trustee's interest in the Charged Property is constituted and pursuant to which, inter alia, the rights of the Beneficiaries in such trust are regulated;

"Special Accounts" means such separate and denominated account or accounts with the Security Trustee or such other bank or banks as may from time to time be specified in writing by the Security Trustee as the account or accounts into which the proceeds of the getting in or the realisation of the Claims are to be paid;

"Standard Security" means, in respect of any Real Property situated in Scotland, the standard security (in the form of the Pro-forma Standard Security with such amendments as the Agent may approve or require) granted by the relevant Obligor in relation to such Real Property as security for the obligations of the Obligors under the Debenture; and

"Supplemental English Charge" means, in respect of any Real Property situated in England and Wales, the supplemental charge (in the form of the Pro-forma Supplemental English Charge with such amendments as the Agent may approve or require) granted by the relevant Obligor in relation to such Real Property as security for the obligations of the Obligors under the Debenture.

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

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

COMPANY No. 03417993

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 28th JANUARY 1998 AND CREATED BY NHP SECURITIES NO. 4 LIMITED FOR SECURING EACH AND EVERY LIABILITY WHICH THE OBLIGORS (AS DEFINED) HAVE TO THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND (THE SECURITY TRUSTEE) (WHETHER FOR ITS OWN ACCOUNT OR AS TRUSTEE FOR THE BENEFICIARIES) OR ANY OF THE OTHER BENEFICIARIES UNDER OR PURSUANT TO THE FACILITY DOCUMENTS (AS DEFINED) (INCLUDING THE DEBENTURE) INCLUDING ANY LIABILITY IN RESPECT OF ANY FURTHER ADVANCES MADE THEREUNDER AND EVERY SUM AT THE DATE OF THE DEBENTURE OR THEREAFTER OWING BY THE OBLIGORS TO THE SECURITY TRUSTEE OR ANY OF THE OTHER BENEFICIARIES IN RESPECT OF ANY SUCH LIABILITIES WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 3rd FEBRUARY 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 5th FEBRUARY 1998.

A handwritten signature in black ink, appearing to read 'J. M. Evans'.

J. M. EVANS

for the Registrar of Companies

*Dx
5/4
5/2*



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