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* insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number

2

1650846

Name of company

* BLETCHLEY MOTOR GROUP LIMITED (the "Company")

Date of creation of the charge

18th May 1998

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

Guarantee and Debenture (the "Debenture") made between the Company and The Governor and Company of the Bank of Scotland as Security Trustee (the "Security Trustee")

Amount secured by the mortgage or charge

The actual, contingent, present and/or future obligations and liabilities of the Company to any of the Secured Parties (as defined below) under or pursuant to all or any of the Secured Documents (as defined below).

DEFINITIONS:

The following words and expressions have the respective meanings attributed to them.

"Secured Documents" means all and each of the Credit Agreement dated 29th December 1997 made between, amongst others, Sanderson Bramall Motor Group plc (the "Parent"), certain banks, and the Security Trustee as amended

contd/.

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

The Governor and Company of the Bank of Scotland

Fifth Floor, Broad Street House, 55 Old Broad Street,

London as Security Trustee for the Secured Parties Postcode EC2P 2HL

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

WILDE SAPTE
1 Fleet Place
London
EC4M 7WS

DX 145

Ref: PXU/078977/BF327685

Time critical reference

For official use
Mortgage Section

Post room



KLO *KZ29860W* 2885
COMPANIES HOUSE 01/06/98

The Company with full title guarantee charged:

(a) by way of legal mortgage all estates or interests in the freehold, leasehold and other immovable property described in the Schedule below and the proceeds of sale thereof and all buildings and trade and other fixtures on any such property belonging to or charged to the Company (the "Legally Mortgaged Property");

(b) by way of fixed charge all estates or interests in any freehold, leasehold and other immovable property as at the date of the Debenture or at any time during the continuance of this security belonging to the Company (other than the Legally Mortgaged Property) and the proceeds of sale thereof and all buildings and trade and other fixtures from time to time on any such property belonging to or charged to the Company;

(c) by way of fixed charge all plant, machinery, vehicles, computers and office and other equipment owned by the Company both present and future;

contd/.

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Particulars as to commission allowance or discount (note 3)

NIL

Signed

Wick Saph

Date

29.5.98.

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

† 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.

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Particulars of a mortgage or charge (continued)

Continuation sheet No 1
to Form No 395 and 410 (Scot)

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Company Number

1650846

Name of Company

BLETCHLEY MOTOR GROUP LIMITED (the "Company")

* delete if
inappropriate

~~limited~~

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

by a side letter dated 31st December 1997 between the Parent, Barclays Bank PLC and the Security Trustee (the "Credit Agreement"), the Working Capital Facility Letters, the Interest Rate Protection Agreements, the Fees Letter and the Security Documents (all as defined in the Credit Agreement) including the Debenture.

"Secured Parties" means all and each of the Security Trustee, the Facility Agent, the Working Capital Banks and the Banks (all as defined in the Credit Agreement).

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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(d) by way of fixed charge all book debts and other debts now and from time to time due or owing to the Company (the "Debts") and (subject to the provisions of Clause 6.2 of the Debenture) all moneys which the Company receives in respect thereof;

(e) by way of fixed charge (but subject to the provisions of Clause 6.3 of the Debenture) all balances standing to the credit of any current, deposit or other account of the Company with the Security Trustee or any other Secured Party (including inter alia any account designated a realisations account for the proceeds of disposals of any of the assets of the Company) or with other bankers, financial institutions or similar third parties (the "Credit Balances");

(f) by way of fixed charge all stocks, shares, debentures, bonds, notes and loan capital of:

(i) any subsidiary of the Company within the meaning of Section 736 of the Companies Act 1985; and

(ii) any other body corporate;

and all rights to subscribe for, redeem, convert other securities into or otherwise acquire any of the same which may as at the date of the Debenture or thereafter belong to the Company, together with all dividends, interest and other income and all other rights of whatsoever kind deriving from or incidental to any of the foregoing;

(g) by way of fixed charge the goodwill of the Company and its uncalled capital as at the date of the Debenture or at any time thereafter in existence;

(h) by way of fixed charge all copyrights, patents, patent applications, licences, trade marks, tradenames, know-how and inventions or other rights of every kind deriving therefrom as at the date of the Debenture or at any time thereafter belonging to the Company and all fees, royalties and other rights of every kind deriving from such copyrights, patents, trade marks, tradenames, know-how and inventions; and

(i) by way of floating charge the whole of the Company's undertaking and all its property, assets and rights, whatsoever and wheresoever, present and future, other than any property or assets from time to time or for the time being effectively mortgaged, assigned or charged to the Security Trustee by way of fixed charge under paragraphs (a) to (h) as set out above (hereinafter collectively referred to as the "Floating Charged Property").

NOTE:

The Company covenanted in the Debenture that without the prior written consent of the Security Trustee it shall not nor shall it agree or purport to:

(a) create or permit to subsist any Encumbrance (as defined below) (other than a Permitted Encumbrance (as defined in the Credit Agreement)) whether in any such case ranking in priority to or *pari passu* with or after the security created by the Debenture;

(b) sell, discount, factor, transfer, lease, lend or otherwise dispose of, whether by means of one or a number of transactions related or not and, whether at one time or over a period of time, the whole or any part of its undertaking or assets except as permitted under the Credit Agreement;

contd/.

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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(c) sell, factor, discount or otherwise charge or assign the Debts in favour of any other person or purport to do so;

(d) sell or otherwise charge or assign any Credit Balance in favour of any person or purport to do so;

(e) enter into any onerous or restrictive obligations affecting such property or make any structural or material alteration thereto or do or suffer to be done on any such property anything which is a "development" as defined in section 55 of the Town and Country Planning Act 1990 nor do or suffer or omit to be done any act, matter or thing whereby any provision of any Act of Parliament order or regulation from time to time in force affecting any such property is infringed.

(f) vary, surrender, cancel, assign or otherwise dispose of or permit to be forfeited any leasehold interest forming part of the Charged Property (as defined below) or agree any rent review;

(g) part with possession of the whole or any part of, or confer on any other person any right or licence to occupy, or grant any licence to assign or sublet of any land or buildings forming part of the Charged Property (as defined below);

(h) allow any person other than itself to be registered under the Land Registration Act 1925 as proprietor of the Charged Property (as defined below) or any part thereof or create or permit to arise any overriding interest (as specified in Section 70(1) of the Land Registration Act 1925) affecting such property.

DEFINITIONS:

In this section the following words and expressions have the respective meanings attributed to them.

"Charged Property" means the property, assets and income of the Company mortgaged, assigned or charged to the Security Trustee (whether by way of legal mortgage, assignment, fixed or floating charge) by or pursuant to the Debenture and each and every part thereof.

"Encumbrance" means any mortgage, charge, assignment by way of security, pledge, hypothecation, lien, right of set-off, retention of title provision, trust or flawed asset arrangement or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same, or any agreement to sell or otherwise dispose of any asset on terms whereby such asset is or may be leased to or re-acquired or acquired by any Group Company (as defined in the Credit Agreement).

SCHEDULE

All that leasehold land known as land and buildings on the north east side of London Road, Stony Stratford, Milton Keynes as the same is registered with leasehold title absolute under title number BM212435. ✓

All that leasehold land known as land and buildings on the north east side of London Road, Stony Stratford, Milton Keynes as the same is registered under title number BM212436. ✓

All that leasehold land known as garage premises at Burleigh Road, Northampton as the same is comprised in a Lease dated 6th February 1991 between Rochmills Limited and South Midlands Co-operative Society Limited. ✓

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 01650846

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT GUARANTEE & DEBENTURE DATED THE 18th MAY 1998 AND CREATED BY BLETCHLEY MOTOR GROUP LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND AS SECURITY TRUSTEE FOR THE SECURED PARTIES (AS THEREIN DEFINED) UNDER OR PURSUANT TO ALL OR ANY OF THE SECURED DOCUMENTS (AS THEREIN DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 1st JUNE 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 3rd JUNE 1998.

W. Grandon
W. GRANDON

for the Registrar of Companies



COMPANIES HOUSE