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COMPANIES FORM No 395

B1B 69906

£10.00.

Particulars of a mortgage or charge

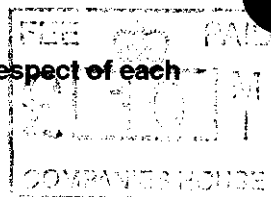
395

CHFP000

A fee of £10 is payable to Companies House in respect of each register entry for the mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
Companies House, Crown Way
Cardiff, CF4 3UZ



For Official use

Company Number

3757424

Name of Company

* Kings Hill (No. 1) Limited (the "Company")

Date of creation of the charge

22 June 2001

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

Fixed and Floating Security Document (the "**Debenture**") dated 22 June 2001 between the Company and Barclays Bank PLC in its capacity as security trustee for the Finance Parties (the "**Security Trustee**")

Amount secured by the mortgage or charge

The "**Liabilities**" which are defined in the Debenture as meaning:

- (a) all present and future moneys, debts and liabilities due, owing or incurred by the Company to any Finance Party or to any Receiver, (i) whether certain or contingent; (ii) whether presently due or falling due at some future time; (iii) whether solely or jointly with any other person; (iv) whether as principal or as surety; and (v) whether arising under lending transactions or not, and in particular but without limitation all monies and facilities from time to time owing or incurred by the Company under the Finance Documents; and
- (b) (as well as before any judgment, decree or order for payment) capital and interest under the Finance Documents and other interest, fees, expenses of security enforcement, costs and expenses of litigation and other charges and expenses, computed and compounded from time to time in accordance with the standard practice from time to time of the Security Trustee unless otherwise expressly agreed in writing between the Company and the Security Trustee.

Name and address of the mortgagees or persons entitled to the charge

Barclays Bank PLC

P.O. Box 544, 54 Lombard Street

London

Postcode

EC3V 9EX

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

Linklaters
One Silk Street
London EC2Y 8HQ
Tel: 020 7456 2000

Ref: KSU

Time critical reference

For official Use
Mortgage Section

Post room



A16
COMPANIES HOUSE

0251
02/07/01

Please do not write
in this margin

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

*insert full name of
company

(PLEASE SEE ATTACHED CONTINUATION SHEET)

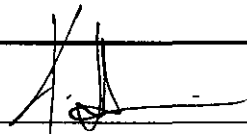
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legibly, preferably
in black type or
bold block lettering

Particulars as to commission allowance or discount (note 3)

Nil

Signed



Date 28 June 2001

On behalf of chargee

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

Note

[†] 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 including in this return. The rate of interest payable under the terms of the debentures should not be entered.
4. If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
5. Cheques and Postal Orders are to be made payable to **Companies House**.
6. The address of the Registrar of Companies is:-

Short particulars of all the property mortgaged or charged

- 1 Fixed Charges:** The Company, by way of security for the payment or discharge of the Liabilities, with full title guarantee charged by way of first fixed charge to the Security Trustee all its right, title, interest and benefit, present and future, in the Security Assets including, in relation to the Portfolio Accounts, without limitation:
 - 1.1** the right to demand, sue for, recover, receive and give receipts for all principal moneys payable or to become payable in respect of the Portfolio Accounts or the unpaid part thereof and the interest thereon and any rights or remedies of the Company against the Originators in respect thereof;
 - 1.2** the benefit of the Obligor Documentation, the right to sue on all covenants given by the Obligors in each Credit Agreement, the right to exercise all the Company's powers in relation to each Credit Agreement, each Account Purchase Agreement or otherwise in connection with the Portfolio Accounts and any rights or remedies of the Company against the Obligors in respect thereof.
- 2 Floating Charge:** The Company, with full title guarantee and as security for the payment of all Liabilities, charged in favour of the Security Trustee (as trustee for the Finance Parties) by way of first floating charge its undertaking and all its assets, both present and future (including assets expressed to be charged by paragraph 1).

Note (1): The Debenture provides that:

1 Ranking

The floating Charge created by the Company ranks:

- (i) behind all the fixed Charges created by the Company; but
 - (ii) in priority to any other Security over the Charged Assets except for Security ranking in priority in accordance with paragraph (f) of Schedule 1 (*Rights of Receivers*) of the Debenture.
- 2 Conversion by Notice:** The Security Trustee may convert any floating Charge into a fixed Charge (either generally or specifically) by notice to the Company specifying the relevant Charged Assets:
 - (i) if it considers it desirable to do so in order to protect or preserve the Charges over those Charged Assets and/or the priority of those Charges; and/or
 - (ii) while an Enforcement Event is continuing.
- 3 Automatic Conversion: If:**
 - (i) the Company takes any step to create any Security in breach of paragraph 4.1 below over any of the Charged Assets not subject to a fixed Charge; or
 - (ii) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of those Charged Assets,

the floating Charge over the relevant Charged Assets shall automatically and immediately be converted into a fixed Charge.

4 Restrictions

- 4.1 Security:** The Company shall not create or permit to subsist any Security over the Charged Assets, nor do anything else prohibited by clause 21.3 (*Negative pledge*) of the Facility Agreement, except as permitted by that clause.

Short particulars of all the property mortgaged or charged

- 4.2 Disposal:** The Company shall not (nor agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of the Charged Assets except as permitted by clause 21.4 (*Disposals*) of the Facility Agreement.
- 4.3 Restrictions on dealing with Book Debts:** Without prejudice and in addition to Clauses 5.1 (*Security*), 5.2 (*Disposal*) and 5.3 (*Further assurance*) of the Debenture:
- (i) except for the Charges, the Company shall not create nor permit to subsist any Security over, nor do anything else prohibited by clause 21.3 (*Negative pledge*) of the Facility Agreement in respect of, all or any part of any of its Book Debts; and
 - (ii) except as required by Clause 5.3 (*Further assurance*) of the Debenture, the Company shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, factor, transfer or otherwise dispose of all or any part of any of its Book Debts.
- 4.4 Restrictions on dealing with Accounts:** Without prejudice and in addition to Clauses 5.1 (*Security*), 5.2 (*Disposal*) with 5.3 (*Further assurance*) of the Debenture:
- (i) except for the Charges, the Company shall not create or have outstanding any Security over, nor do anything else prohibited by clause 21.3 (*Negative pledge*) of the Facility Agreement in respect of, all or any part of any of its Accounts; and
 - (ii) except as required by Clause 5.3 (*Further assurance*) of the Debenture, the Company shall not enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to transfer, assign or otherwise dispose of all or any part of any of its Accounts.

Note (2): In this Form, except to the extent that the context requires otherwise:

"Account Purchase Agreement" means a purchase agreement (i) pursuant to which Portfolio Accounts have been purchased from an Originator by or on behalf of the Company or (ii) which has been assigned or otherwise transferred to the Company.

"Accounts" means the KH 1 Deposit Account, the Collection Account, the CFE Deposit Account and any other bank or building society deposit or current account of the Company, any money market deposit, short dated gilt or short term or cash equivalent investment of the Company, money held by solicitors or others to the Company's order or on its behalf, and monies and funds in the course of collection for the Company or to which the Company is entitled or is entitled to control, and each and all of such accounts and assets whether existing at the date of the Debenture or thereafter acquired or controlled by the Company or on its behalf or which the Company becomes, or may become, entitled to control.

"assets" includes present and future properties, revenues and rights of every description.

"Book Debts" of the Company means all book and other debts of any nature, and all other rights to receive money (excluding Accounts), at the date of the Debenture or in the future due, owing or payable to it and the benefit of all related negotiable instruments, rights, Security, guarantees and indemnities of any kind.

"Causes of Action" means all the Company's right, title, interest and benefit, present and future, in and to any causes of and rights of action (and the net proceeds thereof) of the Company, against any person in connection with the Security Assets.

Short particulars of all the property mortgaged or charged

"CFDRS" means Cabot Financial Debt Recovery Services Limited.

"CFDRS Guarantee" means the deed of guarantee dated 22 June 2001 from CFDRS in favour of the Lender in respect of the obligations of CFE pursuant to the CFE Guarantee.

"CFE" means Cabot Financial (Europe) Limited.

"CFE Deposit Account" means the interest bearing deposit account numbered 30819409, sort code 20-00-00 in the name of CFE held with Barclays Bank PLC, as the same may be redesignated or renumbered from time to time (including any sub-accounts).

"CFE Guarantee" means the deed of guarantee dated 22 June 2001 from CFE in favour of the Lender in respect of the obligations of the Company under the Facility Agreement.

"Charged Assets" means the Security Assets and the assets from time to time subject, or expressed to be subject, to the Charges or any part of those assets.

"Charges" means all or any of the Security created or expressed to be created by or pursuant to the Debenture.

"Collection Account" means the account numbered 00258067, sort code 20-00-00 in the name of CFE held with Barclays Bank PLC and any other account or accounts of CFE held with Barclays Bank PLC as are agreed by CFE and the Lender for such purpose as being a "Collection Account", as the same may be redesignated or renumbered from time to time (including any sub-accounts).

"Contractual Rights" means all the Company's right, title, interest and benefit, present and future, in each Transaction Document, including all rights to receive payment of any amounts which may become payable to the Company thereunder and all payments received by the Company thereunder including, without limitation, all rights to serve notices, give consents and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain other relief in respect thereof.

"Credit Agreement" means each written agreement between an Originator and an Obligor, including amendments thereto, which sets forth the terms and conditions pursuant to which a Portfolio Account was initially opened.

"Credit Application" means the signed original application for credit whereby a person or persons applied to an Originator for the opening of a Portfolio Account.

"Declaration of Trust" means the declaration of trust made by CFE relating to the Collection Account and the CFE Deposit Account.

"Enforcement Event" means:

- (i) any corporate action, legal proceedings or other procedure or step is taken in relation to the administration of the Company;
- (ii) any event described in clause 7.2(a) (*Change of control*) of the Facility Agreement; or
- (iii) an Event of Default.

"Event of Default" means any event or circumstance specified as such in Clause 22 (*Events of Default*) of the Facility Agreement.

Short particulars of all the property mortgaged or charged

"Facility Agreement" means the £2,698,000 term loan facility agreement dated 22 June 2001 and made between the Company, the Lender and the Guarantors.

"File" means, in respect of a Portfolio Account, all information, comments, documents, and any correspondence from or to an Obligor, including the Credit Application, Credit Agreement, and statement fiche, which are actually supplied by an Originator and held by the Company or on its behalf by CFE.

"Finance Document" means:

- (i) the Facility Agreement;
- (ii) each Security Document;
- (iii) the Subordination Agreement; and
- (iv) the Declaration of Trust,

and any other document designated as such by the Lender and the Company.

"Finance Parties" means the Lender, the Security Trustee and the Subordinated Loan Provider.

"Guarantors" means CFE and CFDRS.

"KH 1 Deposit Account" means the account numbered 70879800, sort code 20-00-00 in the name of the Company held with Barclays Bank PLC, as the same may be redesignated or renumbered from time to time (including any sub-accounts).

"Insurances" of the Company means all contracts and policies of insurance of any kind now or in the future taken out by or on behalf of it or (to the extent of its interest) in which it now or in the future has an interest including, for the avoidance of doubt, the insurance policies maintained by CFE pursuant to Clause 3.3 of the Servicing and Origination Agreement.

"Intellectual Property" of the Company means all patents, designs, copyrights, topographies, trade marks, trading names, rights in confidential information and know-how, and any associated or similar rights, which it now or in the future owns or (to the extent of its interest) in which it now or in the future has an interest (in each case whether registered or unregistered and including any related licences and sub-licences of the same granted by it or to it, applications and rights to apply for the same) and which relates to the Portfolio Accounts or any of them.

"Lender" means Barclays Bank PLC, in its capacity as lender under the Facility Agreement.

"Obligor" means, in respect of any Portfolio Account, the person or persons to whom an unsecured credit card, instalment loan, or other such account was originally issued or extended and any other user authorised by that Obligor to use such Portfolio Account.

"Obligor Documentation" means, in relation to each Portfolio Account:

- (i) the Credit Agreements;
- (ii) the Credit Applications; and
- (iii) the Files,

entered into by the relevant Obligor or otherwise relating to that Obligor's Portfolio Account, together with any associated rights and security including, without limitation, any guarantee, the Insurances in so far as they relate to the Portfolio Accounts and any other agreements or arrangements relating to the Portfolio Accounts.

Short particulars of all the property mortgaged or charged

"Originator" means an issuer of unsecured consumer credit from which Portfolio Accounts have been purchased by or on behalf of, or transferred to, the Company, and **"Originators"** means all such issuers.

"Portfolio Account" means a sub-performing or charged-off, unsecured consumer credit card account, instalment loan, or other similar account purchased by or on behalf of, or transferred to, the Company, each as listed in Schedule 6 to the Facility Agreement and/or as contained on a computer disk (which has been initialled by each of the Company and the Lender by way of identification).

"Receivables" means in relation to Portfolio Accounts, any amounts owing by an Obligor in respect of such Portfolio Account, including any amounts owing in respect of instalment payments or for the payment of goods and services, cash advances, cash advance fees, annual membership fees, interest (including interest accrued but not yet billed), finance charges, late charges, and any other fee, expense, or charge of every nature, kind, and description whatsoever.

"Receiver" means a receiver appointed under the Debenture, pursuant to statutory powers or otherwise, and includes more than one such receiver or joint receivers, and any substituted receiver or receivers and includes a manager, a receiver and manager and an administrative receiver.

"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.

"Security Assets" means:

- (i) the Portfolio Accounts;
- (ii) the Receivables;
- (iii) the Account Purchase Agreement;
- (iv) the Obligor Documentation
- (v) the Company's interest in the Insurances and all sums insured by them and all monies payable or to become payable under them and the full benefit of the insurance policies and the benefit of all powers and provisions contained in or conferred by the Insurances (but only to the extent the same relate to the Portfolio Accounts);
- (vi) the Causes of Action;
- (vii) the Contractual Rights;
- (viii) the Intellectual Property;
- (ix) the Company's interest in the Accounts together with all interest accruing from time to time on them and the debts represented by them;
- (x) the Book Debts, and any unapplied sums; and
- (xi) the uncalled capital of the Company.

"Security Document" means the Debenture, the CFE Guarantee, the CFDRS Guarantee, the Shortfall Guarantee and any other security document that may at any time be given as security for any of the Liabilities pursuant to or in connection with any Finance Document.

Name of Company
Kings Hill (No. 1) Limited

Company Number
3757424

Short particulars of all the property mortgaged or charged

"Servicing and Origination Agreement" means the servicing and origination agreement dated 12 August 1999 between the Company and CFE relating to, inter alia, the Portfolio Accounts.

"Shortfall Guarantee" means the deed of guarantee dated 22 June 2001 from CFDRS in favour of the Lender in respect of the obligations of the Company to comply with Clause 19.2 of the Facility Agreement.

"Subordinated Loan Provider" means CFDRS, in its capacity as subordinated loan provider.

"Subordination Agreement" means the subordinated loan agreement dated 13 December 2000 between the Subordinated Loan Provider, the Lender and the Company, whereby amounts owing by the Company to the Subordinated Loan Provider relating to the Portfolio Accounts are subordinated to any amounts owing by the Company to the Lender.

"Transaction Document" means:

- (i) each Finance Document;
- (ii) the Servicing and Origination Agreement,

and any other document designated as such by the Lender and the Company (together acting reasonably).

FILE COPY



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

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

COMPANY No. 03757424

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A FIXED AND FLOATING SECURITY DOCUMENT BETWEEN THE COMPANY AND BARCLAYS BANK PLC AS SECURITY TRUSTEE FOR THE FINANCE PARTIES DATED THE 22nd JUNE 2001 AND CREATED BY KINGS HILL (NO.1) LIMITED FOR SECURING ALL PRESENT AND FUTURE MONEYS DEBTS AND LIABILITIES DUE OWING OR INCURRED BY THE COMPANY TO ANY FINANCE PARTY OR TO ANY RECEIVER AND IN PARTICULAR BUT WITHOUT LIMITATION ALL MONIES AND LIABILITIES OWING OR INCURRED BY THE COMPANY UNDER THE FINANCE DOCUMENTS (ALL TERMS AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 2nd JULY 2001.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 5th JULY 2001.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —

LG
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