

Particulars of a mortgage or charge

395

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



Pursuant to section 395 of the Companies Act 1985

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

For official use Company number

1101

00478794

Name of company

* Yates Group plc (the **Chargor**)

Date of creation of the charge

10th September 2004

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

Target Group Debenture between Yates Group plc and others as **Chargors** and Barclays Bank PLC as **Security Agent** (the **Target Group Debenture**)

Amount secured by the mortgage or charge

All monies, obligations and liabilities (whether actual or contingent, present or future and whether owed jointly or severally or in any other capacity whatsoever) of the **Chargor** to any **Secured Creditor** under the **Secured Debt Finance Documents** (the **Secured Liabilities**) provided that until the **Chargor** complies with the provisions of Sections 155-158 of the Companies Act 1985 pursuant to Clause 24.5 of the Senior Credit Agreement or otherwise, notwithstanding any other term of the Target Group Debenture, the **Chargor** shall have no liability, and the **Secured Liabilities** shall not include, any obligations other than:

- (a) the Company as the borrower of the Refinancing Loans;
- (b) the Target as Borrower of the Revolving Loan Facility and the Ancillary Facility only; and
- (c) the Target as counterparty under the Hedging Documents.

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

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London

Postcode E14 4BB

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

Allen & Overy LLP
One New Change
London
EC4M 9QQ
Ref: DF/11398-01931

For official Use
Mortgage Section

Post room

Time critical reference



A53
COMPANIES HOUSE

0480
15/09/04

Short particulars of all the property mortgaged or charged

(see continuation sheet no. 1)

Please do not
write in
this margin

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

01
95

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Allen & Overly

Date

14 September 2004

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

Barclays Bank PLC

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

† 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 situated 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 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF14 3UZ

Continuation Sheet No.1

1. Short particulars of all the property to be mortgaged or charged.

1.1 (a) The Chargor charges:

- (i) by way of a first priority legal mortgage all estates or interests in any freehold or long leasehold property owned by it (other than any such estates or interests situated in Scotland) and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use property; this includes any specified in Part 1 of the Schedule to this Form 395 or in Part 1 of the schedule to any Deed of Accession by which it became party to the Target Group Debenture; and
- (ii) (to the extent that they are not the subject of a mortgage under sub-paragraph (i) above) by way of first fixed charge all estates or interests in any freehold or long leasehold property owned by it and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use property.

(b) A reference in this Form 395 to any freehold or leasehold property includes:

- (i) all buildings, erections, fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery on that property owned by the Chargor; and
- (ii) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property and any moneys paid or payable in respect of those covenants.

1.2 (a) Subject to paragraph (b) below, the Chargor charges:

- (i) by way of a first legal mortgage all shares in any member of the Group owned by it or held by any nominee on its behalf; this includes any shares specified in Part 2 of the Schedule to this Form 395; and
- (ii) (to the extent that they are not the subject of a mortgage under sub-paragraph (i) above) by way of a first fixed charge its interest in all shares, stocks, debentures, bonds, warrants, coupons or other securities and investments owned by it or held by any nominee on its behalf.

(b) A reference in paragraph (a)(i) or (ii) above or otherwise in this Form 395 to any share, stock, debenture, bond, warrant, coupon or other security or investment includes:

(i) any dividend, interest or other distribution paid or payable;

(ii) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,

in relation to that share, stock, debenture, bond, warrant, coupon or other security or investment.

1.3 The Chargor charges by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any account it has with any person and the debt represented by that account.

1.4 The Chargor charges by way of a first fixed charge:

(a) all of its book and other debts;

(b) all other moneys due and owing to it; and

(c) the benefit of all rights, securities, negotiable instruments and guarantees of any nature enjoyed or held by it in relation to any item under paragraph (a) or (b) above.

1.5 (a) The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all amounts payable to it under or in connection with each of its Insurances and all of its rights in connection with those amounts.

(b) To the extent that they are not effectively assigned under paragraph (a) above, the Chargor charges by way of first fixed charge all amounts and rights described in paragraph (a) above.

(c) A reference in this Subclause to any amounts excludes all amounts received or receivable under or in connection with any third party liability Insurance and required to settle a liability of an Obligor to a third party.

1.6 (a) Subject to paragraph (b) below, the Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of its Relevant Contracts, including all damages, compensation, remuneration, profit, rent or income which the Chargor may derive from that right or be awarded or entitled to in respect of that right.

(b) To the extent that any such right described in paragraph (a) above is not assignable or capable of assignment, the assignment of that right purported to be effected by paragraph (a) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which the Chargor may derive from that right or be awarded or entitled to in respect of that right.

(c) To the extent that they are not effectively assigned under paragraph (a) or (b) above, the Chargor charges by way of first fixed charge all of its rights under each agreement and document described in paragraph (a) above.

1.7 The Chargor charges by way of a first fixed charge all of its rights in respect of any Intellectual Property Rights; this includes any specified in Part 4 of the Schedule to this Form 395.

1.8 The Company with full title guarantee assigns to the Security Agent the Keyman Insurance Policies with effect from the date on which such Keyman Insurance Policies are effected and any substituted policy or policies therefor, together with all monies, benefits and advantages that may become payable or accrue under the Keyman Insurance Policies and the full benefit of all such policies together with power to give an effective discharge for any of the monies assured or otherwise payable under such policies absolutely.

1.9 The Chargor charges by way of a first fixed charge:

(a) any beneficial interest, claim or entitlement it has to any assets of any pension fund;

(b) its goodwill;

(c) the benefit of any authorisation (statutory or otherwise) held in connection with its business or the use of any Security Asset and the right to recover and receive compensation which may be payable to it in respect of any authorisation referred to in this paragraph (c); and

(d) its uncalled capital.

1.10 (a) The Chargor charges by way of a first floating charge:

(i) all of its assets whatsoever and wheresoever (other than those situated in Scotland) not otherwise effectively mortgaged, charged or assigned under the Target Group Debenture; and

(ii) all of its assets situated in Scotland whether or not otherwise effectively mortgaged, charged or assigned under the Target Group Debenture.

(b) Except as provided below, the Security Agent may (acting on the instructions of an Instructing Group in accordance with the Priority Agreement) by notice to the Chargor convert the floating charge created by the Chargor under the Target Group Debenture into a fixed charge as regards any of the Chargor's assets specified in that notice, if:

(i) an Event of Default is outstanding;

- (ii) the Security Agent considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy; or
 - (iii) the Chargor fails to comply, or takes or threatens to take any action which, in the reasonable opinion of the Security Agent, is likely to result in it failing to comply with its obligations under paragraph (a) of Clause 3 (Restrictions on dealing) of the Target Group Debenture.
 - (c) The floating charge created under the Target Group Debenture may not be converted into a fixed charge solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,
 under the Insolvency Act 2000.
 - (d) The floating charge created under the Target Group Debenture will (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge over all of the Chargor's assets if an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator.
 - (e) The floating charge created under the Target Group Debenture is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.
 - (f) The giving by the Security Agent of a notice under paragraph (b) above in relation to any asset of the Chargor will not be construed as a waiver or abandonment of the Security Agent's rights to give any other notice in respect of any other asset or of any other right of any other Secured Creditor under the Target Group Debenture or any other Finance Document.
- 1.11 (a) All this security:
- (i) is created in favour of the Security Agent;
 - (ii) is security for the payment, discharge and performance of all the Secured Liabilities; and
 - (iii) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) If the Chargor assigns or charges rights under an agreement under the Target Group Debenture and the assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:

- (i) the Chargor must notify the Security Agent immediately;
 - (ii) the assignment or charge will not take effect in relation to all rights under that agreement until that consent is obtained save that such assignment or charge will take effect in relation to all damages, compensation, remuneration, profit, rent or income which the Chargor may derive from that right or be awarded or entitled to in respect of that right;
 - (iii) unless the Security Agent otherwise requires, the Chargor must use all reasonable endeavours to obtain such consent as soon as practicable; and
 - (iv) the Chargor must promptly supply to the Security Agent a copy of such consent obtained by it.
- (c) The Security Agent holds the benefit of the Target Group Debenture on trust for the Secured Creditors.
 - (d) The fact that no or incomplete details of any Security Asset are listed in the Target Group Debenture or in the schedule to any Deed of Accession to the Target Group Debenture (if any) does not affect the validity or enforceability of this security.

1.12 The Chargor may not:

- (a) create or allow to exist any Security Interest on any of its assets; or
- (b) either in a single transaction or in a series of transactions and whether related or not and whether voluntarily or involuntarily dispose of all or any part of its assets,

unless permitted under the Senior Credit Agreement and the Mezzanine Credit Agreement.

2. The terms used in this Form 395 have the meanings set out below:

Acquisition means the proposed acquisition by the Company of the Target Shares pursuant to the Offer and/or the procedures contained in Part XIII of the Companies Act 1985.

Agent means Barclays Bank PLC under the Senior Credit Agreement and The Royal Bank of Scotland plc under the Mezzanine Credit Agreement.

Ancillary Facility means any facility or financial accommodation (including any overdraft, foreign exchange, guarantee, bonding, documentary or standby letter of credit, credit card or automated payments facility) established by the Ancillary Lender under Clause 8

(Ancillary Facilities) of the Senior Credit Agreement in place of all or part of its Revolving Loan Commitment.

Ancillary Facility Letter means each letter in the agreed form (being substantially in the form of Schedule 11) entered into or to be entered into between certain of the Borrowers and the relevant Ancillary Lender(s).

Ancillary Lender means Barclays Bank PLC and The Royal Bank of Scotland plc.

Ancillary Outstandings has the meaning given to that term in the Ancillary Facility Letter.

Arrangers means Barclays Bank PLC and The Royal Bank of Scotland plc.

Borrower means (i) the Company as the original Borrower and (ii) the Target and any other person which has become an additional Borrower in accordance with Clause 2.8 of the Senior Credit Agreement (Additional Borrower).

Closing Date means the date on which the Offer has become or is declared unconditional in all respects.

Company means Thorium plc (No. 5141092).

Company-Target Bank Sourced Loan means the agreed form intercompany loan agreement between the Company as lender and the Target as borrower dated on or about the Closing Date to be used to assist the Target to repay the Refinancing Debt as shown in the Funds Flow Statement, the amount of which being funded by the Refinancing Loans.

Compliance Certificate means a certificate, substantially in the form of Schedule 7 Part D (Form of Compliance Certificate) of the Senior Credit Agreement or of the Mezzanine Credit Agreement.

Deed of Accession means a deed substantially in the form of Schedule 5 (Form of Deed of Accession) of the Target Group Debenture.

Event of Default means an event of default specified in clause 27 (Default) of the Senior Credit Agreement.

Facility means the term loan facility made available under the Mezzanine Credit Agreement or a Term Loan Facility or a Revolving Loan Facility made available under, or an Ancillary Facility established pursuant to, the Senior Credit Agreement.

Fee Letter means any letter entered into by reference to the Senior Credit Agreement or the Mezzanine Credit Agreement setting out the amount of certain fees referred to in the Senior Credit Agreement or the Mezzanine Credit Agreement.

Finance Documents means the Senior Finance Documents and the Mezzanine Finance Documents.

Financial Indebtedness means any indebtedness for or in respect of the following (without double counting):

- (a) moneys borrowed or raised and debit balances at financial institutions;
- (b) any bond, note, debenture, loan stock or other similar instrument or under any acceptance credit or bill discounting facility (including any dematerialised equivalent);
- (c) any agreement treated as a finance or capital lease in accordance with the Accounting Principles;
- (d) receivables sold or discounted (except to the extent that there is no recourse);
- (e) any Hedging Transaction (and, except for non-payment of an amount, the then mark to market value of such Hedging Transaction will be used to calculate its amount); or
- (f) any other transaction (including any forward sale or purchase agreement and any sale and sale back, sale and lease back or advance or deferred purchase arrangement) which has the commercial effect of a borrowing.

Funds Flow Statement means the statement in the agreed form prepared by the Parent showing all payments to and/or by members of the Group in connection with the Acquisition and the flow of funds occurring on and immediately before and after the Closing Date, as delivered under Schedule 6 Part A of the Senior Credit Agreement.

Guarantors means (i) the Parent and the Company as original guarantors, (ii) the Target Group companies which enter into the Obligor Accession Deed as guarantors pursuant to Clause 2.7 (Accession of Guarantors) of the Senior Credit Agreement or pursuant to Clause 21.5 (Target Group Guarantees and Security) of the Mezzanine Credit Agreement and (iii) any other person which enters into a Obligor Accession Deed as a guarantor under Clause 25.1 (New Obligors) of the Senior Credit Agreement or a Guarantor Accession Deed as a guarantor under Clause 22.1 (New Obligors) of the Mezzanine Credit Agreement.

Group means the Parent and its Subsidiaries from time to time, including, on and as from the Closing Date only, the Target Group.

Hedging Bank means each of National Westminster Bank plc and The Royal Bank of Scotland plc and any other person which becomes a party to the Priority Agreement as a Hedging Bank under Clause 13.1 (Accession of Hedging Banks) of the Priority Agreement, in each case in its capacity as provider of Hedging to any of the Obligors.

Hedging Document has the meaning given to that term in the Priority Agreement.

Hedging Letter means a letter in the agreed form dated on Signing between the Company and the Agent relating to the interest rate hedging to be maintained and the interest rate hedging to be effected by the Group.

Hedging Transaction means any derivative transaction entered into in connection with protection against, or to benefit from, fluctuations in any rate, price, index or credit rating.

Intellectual Property Rights means:

- (a) any know-how, patent, trade mark, service mark, design, business name, domain name, topographical or similar right;
- (b) any copyright, data base or other intellectual property right; or
- (c) any interest (including by way of licence) in the above,

in each case whether registered or not, and includes any related application.

Instructing Group means at any time:

- (a) on or prior to the Senior Discharge Date, the Majority Senior Creditors; and
- (b) after the Senior Discharge Date but on or prior to the Mezzanine Discharge Date, the Majority Mezzanine Creditors.

Insurance has the meaning given to it in the Senior Credit Agreement.

Investment Agreement means the investment agreement dated on or about Signing between (among others) the original Investors and InvestorCo.

InvestorCo means Holmium Limited.

Investors means the Investor as defined in the Investment Agreement and includes any transferee of any interest in the share capital of InvestorCo and/or of any interest in the Investor Loan Note Instrument directly from such person in the course of equity syndication where such transferee becomes party to the Investment Agreement.

Investors Reports Letter means the letter in the agreed form to be issued by the Investors and others in relation to the Reports.

Keyman Insurance Policies has the meaning given to it in the Senior Creditor Agreement.

Lender means (i) an Original Lender or (ii) any person which becomes a Lender after the date of, and in accordance with the terms of, the Senior Credit Agreement or the Mezzanine Credit Agreement (but only for so long as it has any outstanding Commitment or participation in

any Loan or Ancillary Outstanding or any amount is owed to it (whether actually or contingently) in its capacity as Lender).

Loan means the principal amount of each borrowing under a Facility or the principal amount outstanding of that borrowing and excludes in each case any Ancillary Outstandings.

Majority Mezzanine Creditors has the meaning given to it in the Priority Agreement.

Majority Senior Creditors has the meaning given to it in the Priority Agreement.

Mezzanine Credit Agreement means a mezzanine credit agreement dated 9 June 2004 between the Parent, the Company, the Arrangers, the Original Lenders and The Royal Bank of Scotland plc (as facility agent under the mezzanine credit agreement).

Mezzanine Creditor means each of (i) the Mezzanine Finance Parties and (ii) (after the Senior Discharge Date or to the extent of any claim by the Security Agent as joint and several creditor with any other Mezzanine Creditor) the Security Agent.

Mezzanine Discharge Date has the meaning given to it in the Priority Agreement.

Mezzanine Finance Documents mean (i) the Mezzanine Credit Agreement (ii) a Fee Letter (iii) a Transfer Certificate (iv) the Hedging Letter (v) a Hedging Document (vi) a Security Document (vii) a Compliance Certificate (viii) a Request (ix) the Syndication Letter (x) the Priority Agreement (xi) the Investors Report Letter, or (xii) any other document designated as such by the Agent or Company and (xiii) any document supplementing or amending any of the above.

Mezzanine Finance Parties means the Arranger, the Agent, a Lender or a Hedging Bank.

Notes Loan means any Term Loan made under the A Term Loan Facility pursuant to Clause 2.1(b) (A Term Loan Facility) of the Senior Credit Agreement or the principal amount outstanding for the time being of that Loan.

Obligor means a Borrower or a Guarantor.

Obligor Accession Deed means a deed substantially in the form as set out in Schedule 8 (Form of Obligor Accession Deed) of the Senior Credit Agreement with such amendments as the Agent and the Parent may agree.

Offer means the offer for the Target Shares to be made by Cazenove & Co. Limited on behalf of the Company on the terms and conditions referred to in the Press Release or as those terms and conditions may be amended in compliance with the Senior Credit Agreement.

Offer Loan means any Term Loan drawn under the A Term Loan Facility the proceeds of which are to be used solely for the purposes set out in paragraphs (a) - (d) of Clause 3.1 (Term Loans) of the Senior Credit Agreement.

Original Lenders means Barclays Bank PLC and The Royal Bank of Scotland plc.

Parent means Lanthanum Limited (No. 5122650)

Press Release means the agreed form press release by which the Offer is announced.

Priority Agreement means the priority agreement made between, among others, the Agent and InvestorCo.

Receiver means an administrative receiver, receiver and manager or a receiver, in each case, appointed under the Parent/Company Debenture.

Refinancing Debt means the Financial Indebtedness of the members of the Target Group outstanding on or after the Closing Date under the £85,000,000 revolving credit facility dated 20 March, 2003 between, amongst others, The Royal Bank of Scotland plc and the Target and any break funding costs, redemption premia and other costs payable in connection with that refinancing (including any hedging termination costs).

Refinancing Loan means any Term Loan drawn under the B and C Term Loan Facilities and the A1 Term Loan drawn under the A Term Loan Facility or as the context may require the amount of the above from time to time outstanding.

Relevant Contract means in relation to the Chargor:

- (a) any agreement specified in Part 3 of the Schedule to this Form 395; and
- (b) any other agreement to which the Chargor is a party and which the Chargor and the Security Agent have designated a Relevant Contract.

Report means any report referred to under the heading Information Package and Reports in Schedule 6 Part A (Conditions Precedent).

Request means a request for a Loan, substantially in the form of Schedule 2 (Form of Request) of the Senior Credit Agreement or of the Mezzanine Credit Agreement.

Revolving Loan Commitment means:

- (a) for an Original Lender, the amount set opposite its name in Schedule 1 (Original Lenders) of the Senior Credit Agreement under the heading Revolving Loan Commitments and the amount of any other Revolving Loan Commitment, it acquires; and

(b) for any other Lender, the amount of any Revolving Loan Commitment it acquires,

to the extent not cancelled, transferred or reduced under the Senior Credit Agreement.

Revolving Loan Facility means the revolving loan facility referred to in Clause 2.4 of the Senior Credit Agreement (Revolving Loan Facility and Ancillary Facilities).

Revolving Loan means a Loan under the Revolving Loan Facility.

Security Agent means Barclays Bank PLC.

Security Asset means all assets of the Chargor the subject of this security.

Secured Creditor means a Senior Creditor, a Hedging Bank or a Mezzanine Creditor, as the context may require.

Security Document means (i) the Parent/Company Debenture, (ii) the Target Group Debenture, (iii) the Target Group Supplemental Debenture, (iv) the Priority Agreement, (v) the Target Group Loan Agreement, (vi) the Company-Target Bank Sourced Loan, (vii) each document entered into or required to be entered into pursuant to Clause 25.2 (Security) of the Senior Credit Agreement or clause 22.2 (Security) of the Mezzanine Credit Agreement, and (viii) any other document evidencing or creating any guarantee or security over any asset of any Obligor to secure any obligation of any Obligor to a Finance Party under the Senior Finance Documents or the Mezzanine Finance Documents.

Security Interest means any mortgage, pledge, lien, charge (fixed or floating), assignment, hypothecation, set-off or trust arrangement for the purpose of creating security, reservation of title or security interest or any other agreement or arrangement having a substantially similar effect.

Senior Credit Agreement means an agreement dated 9 June, 2004 between, amongst others the Parent, the Company, Barclays Bank PLC, the Original Lenders, Barclays Bank Plc and The Royal Bank of Scotland plc and the Security Agent.

Senior Creditor means each of (i) the Senior Finance Parties and (ii) (until the Senior Discharge Date) the Security Agent.

Senior Discharge Date has the meaning given to it in the Priority Agreement.

Senior Finance Documents means (i) the Senior Credit Agreement, (ii) a Fee Letter, (iii) a Transfer Certificate, (iv) an Ancillary Facility Letter, (v) the Hedging Letter, (vi) a Hedging Document, (vii) a Security Document, (viii) a Compliance Certificate, (ix) a Request, (x) the Syndication Letter, (xi) the Priority Agreement,

(xii) the Investors Reports Letter, or (xiii) any other document designated as such by the Agent and the Company, and (ix) any document amending or supplementing any of the above.

Senior Finance Party means the Arrangers, the Agent, a Lender, an Ancillary Lender or a Hedging Bank.

Signing means the date of the Senior Credit Agreement.

Structure Chart means the corporate structure chart set out as Schedule 9 of the Senior Credit Agreement.

Syndication Letter means the letter in the agreed form relating to the primary syndication of the Facilities.

Target means Yates Group plc (Company no. 478794).

Target Group means the Target and each of its Subsidiaries from time to time, being at Signing those shown as such in the Structure Chart.

Target Group Loan Agreement means the agreed form of intercompany loan agreement to be entered into pursuant to Clause 24.5 of the Senior Credit Agreement (Target Group Guarantees and Security).

Target Group Supplemental Debenture means the deed in the agreed form to be entered into pursuant to Clause 24.5 of the Senior Credit Agreement (Target Group Guarantees and Security) by the Target and certain of its Subsidiaries in favour of the Security Agent.

Target Shares means all the shares (of whatever class) in the capital of the Target together with all rights attaching thereto or exercisable in respect of any of them.

Term Loan means a Loan under a Term Loan Facility, and when designated A, B or C a Loan under the Term Loan Facility so designated (and includes Offer Loans, Refinancing Loans and Notes Loans and unless the context otherwise requires includes both the A1 and A2 Term Loans each as defined in Clause 2.1 of the Senior Credit Agreement.

Term Loan Facility means:

- (a) where prefixed A, the term loan facility referred to in Clause 2.1 (A Term Loan Facility) of the Senior Credit Agreement and unless the context otherwise requires includes both the A1 and A2 Term Loans; or
- (b) where prefixed B, the term loan facility referred to in Clause 2.2 (B Term Loan Facility) of the Senior Credit Agreement; or
- (c) where prefixed C, the term loan facility referred to in Clause 2.3 (C Term Loan Facility) of the Senior Credit Agreement.

Transfer Certificate means a certificate substantially in the form of Schedule 4 (Form of Transfer Certificate) of the Senior Credit Agreement or of the Mezzanine Credit Agreement, with such amendments as the Agent may approve or reasonably require or any other form agreed between the Agent and the Parent.

SCHEDULE
SECURITY ASSETS

PART 1

REAL PROPERTY

Freehold/Leasehold	Property	Description
Freehold	Barrow	54-56 Duke Street, Barrow in Furness, LA14 1RT
Freehold	Basingstoke	20 and 22 London Street, Basingstoke, RG21 7PG
Freehold	Bexley Heath	2 Mayplace Road West, Bexley Heath, DA7 4JB
Freehold	Blackpool North	10 Clifton Street, Talbot Square, Blackpool, FY1 1JP
Freehold and Leasehold	Bolton	36 Bradshawgate, Bolton, BL1 1BG
Freehold	Bournemouth	2 Dean Park Crescent, Bournemouth, BH1 1HL
Freehold	Bury	20 Market Street, Bury, BL3 0AJ
Freehold	Camberley	71/73 High Street, Camberley, GU15 3RB
Freehold	Croydon	3 - 11 (odd) High Street, Croydon, CR0 1QA
Freehold	Doncaster	20 - 28 (even) Cleveland Street, Doncaster, BN1 1TJ
Freehold	Glasgow (West George St)	134 - 136 West George Street, Glasgow, G2 2GH
Freehold	Harrow	269 and 271 Station Road, Harrow, HA1 2TB
Leasehold	Huddersfield	41, 43 and 45 Queensgate, Huddersfield, HD1 2RD
Freehold	Ipswich	Trafalgar House, Tower Street, Ipswich, IP1 3BE
Freehold	Leeds (Woodhouse La)	43 Woodhouse Lane, Leeds, LS1 8BW
Freehold	Leicester	17 - 25 (odd) Belvoir Street, Leicester, LE1 6SL
Freehold	Lincoln	274/277 High Street, Lincoln, LN2 1JE
Leasehold	Liverpool	40/60 Great Charlotte Street, Liverpool, L1 1HU
Freehold	Mansfield	13/15 Leming Street, Mansfield, NG18 1NA

Freehold	Middlesbrough	16 and 18 Newport Road, Middlesborough, TS1 1LE
Freehold	Newcastle-U-Lyme	14 - 16 Ironmarket, Newcastle Under Lyme, ST5 1RF
Freehold and Leasehold	Newport	54 High Street, Newport, NP9 1GA
Freehold	Northampton	The Ridings, Northampton, NN1 2AQ
Freehold	Nottingham	49 Long Row, Nottingham, NG1 2GB
Freehold	Portsmouth	13 - 19 (odd) Guildhall Walk, Portsmouth, PO1 2RY
Freehold	Preston	144 - 146 Church Street, Preston, PR1 3AB
Freehold	Reading	The Former Post Office, 7/9 Friar Street, Reading, RG1 1DB
Freehold	Romford	87 and 89 South Street, Romford, RM1 1PA
Freehold	South Shields	Mile End Road, South Shields, NE33 1TA
Freehold	Sunderland	Burdon House, Burdon Road, Sunderland, SR1 1QB
Freehold	Swindon	49 - 50 Bridge Street, Swindon, SN1 1BL
Freehold	Torquay	40, 42 and 44 Swan Street, Torquay, TQ2 5ES
Freehold	Weston Super Mare	12 - 20 Regent Street, Weston Super Mare, BS23 1SQ
Freehold	Weymouth	56 and 57 St Thomas Street, Weymouth, DT4 8EQ
Freehold	Woking	5 - 7 Cobham Road, Woking, GU21 1HX
Freehold	Wolverhampton	34 Queens Square, Wolverhampton, WV1 1TL
Freehold	Wrexham	9 High Street, Wrexham, LL13 8HY
Freehold	York	Church Lane, Low Ousegate, York, YO1 9QT

PART 2

SHARES

Name of company in which shares are held	Name of nominee (if any) by whom shares are held	Class of shares held	Number of shares held
Addison & Co Limited		Ordinary	1,498
	Dominic Kay	Ordinary	2
		Preference	1,000
		Preference A	12,000
Yates Brothers Limited		Ordinary	19,999
	Dominic Kay	Ordinary	1
Watling Street Inns Limited		Ordinary	999
	Dominic Kay	Ordinary	1
Ha!Ha! Bar and Canteen Limited		Ordinary	5,000
		Preference	1,320
Yates's Wine Lodges Limited		Ordinary	7,425
	Dominic Kay	Ordinary	1
Burntoak Properties Limited	Dominic Kay	Ordinary	24
		Ordinary	24
Forno Vivo Limited		Ordinary	1,041,000
Yates's Duty Free Limited		Ordinary	401
	Dominic Kay	Ordinary	1
		Ordinary A	134

Name of company in which shares are held	Name of nominee (if any) by whom shares are held	Class of shares held	Number of shares held
Yates Group Pensions Trustees Limited	Dominic Kay	Ordinary	999
		Ordinary	1
Yates Group Trustee Company Limited	Dominic Kay	Ordinary	149
		Ordinary	1
Yates's Group Quest Trustee Limited	Dominic Kay	Ordinary	99
		Ordinary	1
Yates Brothers Wine Lodges Limited		Ordinary	1

PART 3

RELEVANT CONTRACTS

Description

The Target Group Loan Agreement (as defined in the Senior Credit Agreement)

PART 4

SPECIFIC INTELLECTUAL PROPERTY RIGHTS

TM Number	Mark Text	Type	Date	Status	Classes
53991	WINE LODGE Yates Bros & Co	SW	21.05.1886	Registered	32 33
264522	EL CUERVO	WO	25.06.1904	Expired	34
268445	WI LO	WO	07.12.1904	Expired	32 33
268446	WI LO	WO	07.12.1904	Expired	32
268447	WI LO	WO	07.12.1904	Expired	34
484804	BIRTHDAY	WO	11.10.1927	Registered	33
511117	"WINE LODGE"	DW	13.03.1930	Registered	32 33
513337	"WINE LODGE" MODERATION IS TRUE TEMPERANCE	DW	29.05.1930	Registered	34
552652	BOSLEY Peter Yates	SW	16.07.1934	Registered	29
580537	Yates' MARTINI COCKTAIL RED GAP	DW	11.10.1937	Registered	33
675908	"John McKay"	DW	06.01.1949	Registered	33
692605	YATES' BRILLIANTE PORT WINE PRODUCE OF PORTUGAL	DW	29.09.1950	Registered	33
759337	SWEET MOUNTAIN WINE	DW	07.11.1956	Registered	33
951326	AP & F Epernay	DW	20.11.1969	Registered	33
1072482	Appay Pere & Fils	DW	24.12.1976	Registered	33
1156610	COOLARA	WO	26.06.1981	Expired	33
1206809	"John McKay" Finest Matured SCOTCH WHISKEY	DW	09.11.1983	Registered	33
1216693	DELISSIMO	WO	11.04.1984	Registered	33
1216694	LEADING PORT WINE LODGE MODERATION IS TRUE TEMPERANCE	DW	01.04.1984	Registered	33
1216870	Maester Wein	DW	14.04.1984	Registered	33
1246312	PETER'S PORT	DW	17.07.1985	Registered	33

TM Number	Mark Text	Type	Date	Status	Classes
1291410	WINE LODGE	WO	30.10.1986	Registered	42
1291411	YATES'	WO	30.10.1986	Registered	42
1291412	YATES' WINE LODGE	WO	30.10.1986	Registered	42
1291413	YATES BROTHERS WINE LODGES Ltd	DW	30.10.1986	Registered	42
1298909	ADDISON	DW	27.01.1987	Registered	42
1332723	RED BIDDY	DW	22.01.1988	Registered	33
1347835	YATES BROS & Co WINE LODGE MODERATION IS TRUE TEMPERANCE	DW	15.06.1988	Registered	42
1452450	YATES'	DW	05.01.1991	Registered	33
1581732	YATES' SOLE PROPRIETORS ESTD. 1884 Purest VODKA PRODUCE OF GREAT BRITAIN	DW	13.08.1994	Registered	33
1581733	YATES' SOLE PROPRIETORS ESTD. 1884 LONDON Dry Gin PRODUCE OF GREAT BRITAIN	DW	13.08.1994	Registered	33
1581734	YATES' SOLE PROPRIETORS ESTD. 1884 SPLENDID Old Rum PRODUCE OF JAMAICA GUYANA & TRINIAD	DW	13.08.1994	Registered	33
1581735	YATES' SOLE PROPRIETORS ESTD. 1884 SCOTCH Finest Matured WHISKEY PRODUCE OF SCOTLAND	DW	13.08.1994	Registered	33
1581736	YATES' SOLE PROPRIETORS ESTD. 1884 Old Brandy PRODUCE OF FRANCE	DW	13.08.1994	Registered	33
2005523	FAMES FOR OUR HOT BOSLEY BEEF	SW	16.12.1994	Registered	30
2006855	YATES' WINE LODGE	SW	06.01.1995	Registered	42
2016801	YATES' VODKA MARTINI Cocktail	DW	07.04.1995	Registered	33
2022304	YATES' Original Blob AN UNRIVALLED TASTE EXPERIENCE	DW	31.05.1995	Registered	33
2022847	YATES' RED BIDDY	SW	02.06.1995	Registered	33
2029235	THE BLOB	WO	03.08.1995	Registered	33
2031006	THE Blob SHOP	SW	19.08.1995	Registered	32 33
2044543	THE UNRIVALLED MEETING PLACE	WO	14.11.1995	Registered	32 33
2044548	MODERATION IS TRUE TEMPERANCE	WO	14.11.1995	Registered	32 33

TM Number	Mark Text	Type	Date	Status	Classes
2044550	COMPETITION FEARLESSLY CHALLENGED	WO	14.11.1995	Registered	32 33
2044553	WE OFFER MORE IN THE UNRIVALLED MEETING PLACE	WO	14.11.1995	Registered	32 33
2047947	A DAY WITHOUT WINE IS LIKE A DAY WITHOUT SUNSHINE	WO	08.12.1995	Registered	33
2053588	YATES' GROG THE UNRIVALLED TASTE FOR SUMMER	DW	24.01.1996	Registered	33
2057938	A P&F A P&F Epernay	DW	24.02.1996	Registered	33
2057939	A P&F CHAMPAGNE Appay PERE & FILS Epernay	DW	24.02.1996	Registered	33
2060559	COMTE DE RAGON	WO	08.03.1996	Registered	33
2070794	YATES' SPIKE	WO	10.05.1996	Registered	33
2104104	SOMERSKO	WO	03.07.1996	Registered	42
2107071	WORLD OF WINE N NE E SE S SW W NW	DW	07.08.1996	Registered	33
2107769	EXACTLY LIKE NOTHING ELSE	WO	16.08.1996	Registered	32 33 42
2107790	YATES'	WO	14.08.1996	Registered	33
2107794	THE Blob SHOP	SW	14.08.1996	Registered	42
2113056	YATES' The HOME of WINE Estd. 1884	DW	17.10.1996	Registered	33
2115497	VMC	WO	12.11.1996	Registered	33
2132878	WATLING ST INNS	DW	16.05.1997	Registered	42
2140154	HA! HA! Bar & Canteen	DW	22.07.1997	Registered	16 21 25 29 30 32 33 42
2150203	H2 Eau STILL An uncommonly thirst-quenching still water, with a superior personality	DW	07.11.1997	Registered	32
2150204	H2 Eau SPARKLING An upwardly-mobile, refreshing sparkling water with a pretentious character	DW	07.11.1997	Registered	32
2150212	YATES' H2 Eau SERIOUSLY THIRST	DW	07.11.1997	Registered	32

TM Number	Mark Text	Type	Date	Status	Classes
	QUENCHING				
2164955	YATES' EVEN MORE FOR LESS	WO	25.04.1998	Registered	32 33 42
2164971	YATES' GOOD TIMES GUARANTEED	WO	25.04.1998	Registered	32 33 42
2164976	ESTD. 1884 YATES'S WINE LODGE	DW	25.04.1998	Registered	32 33 42
2208318	BRINGS OUT THE YATES'S IN YOU	WO	11.09.1999	Registered	41 42
2219411	YATES'	WO	17.01.2000	Registered	41
2285787	SO HA! HA!	SW	16.11.2001	Registered	16 29 30 42
2335423	YATES'	WO	20.06.2003	Registered	38
2352895	Y8S	WO	08.01.2004	Advertised	41 43
2360699	Wannabe2004 Yates's national karaoke competition	SW	13.04.2004	New Application	41

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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. 00478794

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A TARGET GROUP DEBENTURE DATED THE 10th SEPTEMBER 2004 AND CREATED BY YATES GROUP PLC FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO ANY SECURED CREDITOR 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 15th SEPTEMBER 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 20th SEPTEMBER 2004 .

GRH
P.



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES