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COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

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Pursuant to section 395 of the Companies Act 1985

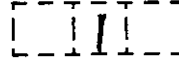
Please complete
legibly, preferably
in black type, or
bold block lettering

* insert full name
of company

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number



00485183

Name of company

* Transworld Publishers Limited

Date of creation of the charge

22nd May 1998

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

Debenture

Amount secured by the mortgage or charge

All monies obligations and liabilities which may now or at any time in the future be due owing or incurred by Transworld Publishers Ltd. ("Transworld") to IDG Books Worldwide Inc. ("IDGB") under the terms of the Marketing Sales and Distribution Agreement effective as of May 22, 1998 between IDGB and Transworld (the "Distribution Agreement") or the terms of the debenture creating this charge (the "Debenture") when the same shall be or become due or, in the absence of any specified due date, on demand.

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

IDG Books Worldwide Inc.

919 Hillsdale Blvd, Suite 400, Foster City, California

U.S.A.

Postcode 94404

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

Covington & Burling

Leconfield Hse, Curzon St

London W1Y 8AS

Ref: HXP/LCP

For official Use
Mortgage Section

Post room



Time critical reference

Short particulars of all the property mortgaged or charged

Transworld with full title guarantee and as a continuing security charges with the payment or discharge of all monies obligations and liabilities covenanted to be paid or discharged by Transworld by way of first floating charge all the products purchased from IDGB pursuant to the Distribution Agreement (the "Products") and all present and future book and other debts and other monies due, owing, payable or incurred to Transworld in relation to or derived from the Products, including, without limitation, any amounts from time to time outstanding to any bank or other account of Transworld and the benefit of any present or future insurance policies and all proceeds thereof and all things in action which may give rise to any debt, revenue or claim (see 2)

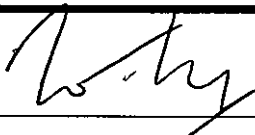
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Please complete legibly, preferably in black type, or bold block lettering

Particulars as to commission allowance or discount (note 3)

N/A

Signed



M.B. Barty-King
Managing Director

Date

22 May 1998

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.
- 5 The address of the Registrar of Companies is:-
Companies House, Crown Way, Cardiff CF4 3UZ

Particulars of a mortgage or charge (continued)

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

Company number

00485183

Name of company

Transworld Publishers Limited

Limited*

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

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

• p i . x f

(2) (the "Debts").

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

IDGB may at any time by notice in writing to Transworld convert the floating charge into a fixed charge and the floating charge shall unless otherwise agreed in writing by IDGB automatically and without notice be converted into a fixed charge in the event that Transworld shall create or permit to subsist any security interest over its property or assets other than the Debenture or the Debenture becomes enforceable.

Transworld covenants, inter alia, that it shall not without the prior written consent of IDGB, (a) create or permit to subsist any mortgage charge pledge hypothecation lien (other than a lien arising by operation of law) or other security interest on any of the charged assets; (b) sell transfer lease lend or otherwise dispose of the whole or any part of its undertaking or (save in the normal course of trading at not less than market value) of its assets or enter into any agreement or grant any option for any such sale transfer lease loan or other disposal; or (c) release factor sell at discount charge assign exchange set-off or grant time or indulgence or otherwise deal with the Debts otherwise than by getting in and realising them in the ordinary course of business.

FILE COPY



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

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

COMPANY No. 00485183

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 22nd MAY 1998 AND CREATED BY TRANSWORLD PUBLISHERS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO IDG BOOKS WORLDWIDE INC. UNDER THE TERMS OF THE MARKETING SALES AND DISTRIBUTION AGREEMENT EFFECTIVE AS OF MAY 22, 1998 OR THE TERMS OF THE DEBENTURE CREATING THIS CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 28th MAY 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 1st JUNE 1998.

A handwritten signature in dark ink, appearing to read 'R. N. Owens'.

RICHARD NEIL OWENS

for the Registrar of Companies



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