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

*insert full name
of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

A fee of £13 is payable to Companies House in respect
of each register entry for a mortgage or charge.

395

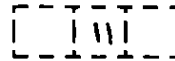
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Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number



00744679

Name of company

* SURRIDGE DAWSON LIMITED ("Chargor")

Date of creation of the charge

25 June 2009

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

Debenture dated 25 June 2009 entered into between (1) Express Newspapers ("Chargee") and (2) the Chargor ("Deed")

Amount secured by the mortgage or charge

All actual obligations and liabilities (whether owed jointly or severally or alone or in any other capacity whatsoever) incurred pursuant to clause 4 of the Standstill Agreement by the Chargor to the Chargee during the Debt Freeze Period and excluding, for the avoidance of doubt, any historic liabilities owed by the Chargor to the Chargee and incurred prior to the Debt Conversion Date, including but not limited to the Existing Publisher Debts ("Secured Obligations").

All capitalised terms in this form 395 shall have the meaning given to them in the continuation sheet attached hereto unless defined elsewhere below.

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

Express Newspapers, The Northern & Shell Building, Number 10 Lower Thames Street, London

Postcode EC3R 6EN

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

DLA Piper UK LLP
Princes Exchange
Princes Square
LEEDS
LS1 4BY

IJ/91897/120003/25162846.1

Time critical reference

IJ/91897/120003/25162846.1

For official Use (02/06)
Mortgage Section

Post room

TUESDAY



AX9FTBCB

A15

07/07/2009

109

COMPANIES HOUSE

Please see the continuation sheet attached to this form 395.

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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

DLA Piper UK LLP

Date

6 July 2009

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

*A fee 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 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 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

Name of company

*insert full name
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* SURRIDGE DAWSON LIMITED ("Chargor")

Addendum 1/4

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

Addendum 2/4

2. Amount due or owing on the mortgage or charge (continued)

Addendum 3/4

3. Names, addresses and descriptions of the mortgages or persons entitled to the charge (continued)

Addendum 4/4

4. Short particulars of all the property mortgaged or charged (continued)

4. Fixed security

4.1 Fixed Charges

The Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by the Chargor, or in which it from time to time has an interest:

(a) by way of second-ranking legal mortgage;

(i) all Property (if any) specified in part 1 of the schedule to the Deed; and

(ii) all other Property (if any) at the date of the Deed vested in, or charged to, the Chargor and not charged by clause 4.1(a) (i);

(b) by way of second-ranking fixed charge:

(i) all other Property and all interests in Property not charged by clause 4.1(a);

(ii) all licences to enter upon or use land and the benefit of all other agreements relating to land; and

(iii) the proceeds of sale of all Property;

(c) by way of second-ranking fixed charge all plant and machinery not charged by clauses 4.1(a) or 4.1(b) and the benefit of all contracts, licences and warranties relating to the same;

(d) by way of second-ranking fixed charge:

Name of company

*insert full name
of Company

* SURRIDGE DAWSON LIMITED ("Chargor")

- (i) all computers, vehicles, office equipment and other equipment not charged by clause 4.1(c); and
- (ii) the benefit of all contracts, licences and warranties relating to the same,
other than any which are for the time being part of the Chargor's stock-in-trade or work-in-progress;
- (e) by way of second-ranking fixed charge all Charged Securities together with:
 - (i) all Related Rights from time to time accruing to those Charged Securities; and
 - (ii) all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments;
- (f) by way of second-ranking fixed charge all accounts with any bank, financial institution or other person and all monies at any time standing to the credit of such accounts, together with all interest from time to time accrued or accruing on such monies and all rights to repayment of any of the foregoing;
- (g) by way of second-ranking fixed charge all Intellectual Property;
- (h) to the extent that any Assigned Asset is not effectively assigned under clause 4.2 (*Security assignments*), by way of second-ranking fixed charge such Assigned Asset;
- (i) by way of second-ranking fixed charge (to the extent not otherwise charged or assigned in the Deed):
 - (i) the benefit of all licences, consents, agreements and authorisations held or used in connection with the business of the Chargor or the use of any of its assets; and
 - (ii) any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by it; and
- (j) by way of second-ranking fixed charge all of the goodwill and uncalled capital of the Chargor.

4.2 Security assignments

Subject to the Priority Deed, the Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all its present and future right, title and interest in and to:

- (a) the Insurances, all claims under the Insurances and all proceeds of the Insurances; and
- (b) all other Receivables not assigned under clause 4.2(a).

To the extent that any Assigned Asset described in clause 4.2(a) is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Chargor to any proceeds of the Insurances.

5. Floating charge

The Chargor charges and agrees to charge in favour of the Chargee by way of second-ranking floating charge all of its present and future:

- (a) assets and undertaking (wherever located) not otherwise effectively charged by way of second-ranking fixed mortgage or charge or assigned pursuant to clause 4.1 (*Fixed charges*), clause 4.2 (*Security assignments*) or any other provision of the Deed; and

Name of company

*insert full name
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* SURRIDGE DAWSON LIMITED ("Chargor")

(b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland.

6.1 Conversion by notice

Subject to the Priority Deed, the Chargee may, by written notice to the Chargor, convert the floating charge created under the Deed into a fixed charge as regards all or any of the assets of the Chargor specified in the notice if the Chargor does not pay any amount of the Secured Obligations when due.

6.3 Automatic conversion

The floating charge created under the Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge:

(a) in relation to any Security Asset which is subject to a floating charge if:

(i) the Chargor creates (or attempts or purports to create) any Security Interest on or over the relevant Security Asset without the prior written consent of the Chargee (other than in respect of any Security or quasi-security interest arising under the terms of any invoice discounting financing arrangements to be entered into by the Chargor from time to time);

(ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset; or

(iii) any floating charge under the Prior Ranking Debenture or any Second Charge is converted into a fixed charge; and

(b) over all Security Assets which are subject to a floating charge if an administrator is appointed in respect of the Chargor or the Chargee receives notice of intention to appoint such an administrator.

Note 1

The Deed contains the power to appoint a Receiver.

Note 2

The Deed contains a power of attorney in favour of the Chargee and each Receiver.

Note 3

The Deed contains the following further assurances:

The Chargor shall, at its own expense, promptly take whatever action the Chargee or a Receiver may require for:

(a) creating, perfecting or protecting the Security Interests intended to be created by the Deed; and

(b) facilitating the realisation of any Security Asset or the exercise of any right, power or discretion exercisable by the Chargee or any Receiver or any of its or his delegates or sub-delegates in respect of any Security Asset,

including the execution of any transfer, conveyance, assignment or assurance of any property whether to the Chargee or to its nominees, the giving of any notice, order or direction and the making of any registration, which in any such case, the Chargee may think expedient.

Note 4

Part 1 of the schedule to the Deed is blank.

Name of company

*insert full name
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* SURRIDGE DAWSON LIMITED ("Chargor")

DEFINITIONS

"Amended Supply Terms" means the Existing Supply Terms as varied by the Standstill Agreement;

"Assigned Assets" means the Security Assets expressed to be assigned pursuant to clause 4.2 (*Security assignments*);

"Business Day" means any time between the hours of 9am and 5pm on a day, other than a Saturday, Sunday or a bank or public holiday, on which banks are open for business in England;

"Charged Investments" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities;

"Charged Securities" means all stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "investments" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of the Deed) now or in future owned (legally or beneficially) by the Chargor or in which the Chargor has an interest at any time;

"Debt Conversion Date" means Thursday 18 June 2009;

"Debt Freeze Period" means the period from 11:59 pm on the Debt Conversion Date until the earlier of:

- (a) 11:59pm on Sunday 16 August 2009;
- (b) written notification to the other party of the occurrence of a Trigger Event; and
- (c) such earlier or later date as the parties may agree in writing;

"Existing Publisher Debts" means the accrued creditor balance owed or becoming owing by the Chargor to the Chargee in respect of copies of newspaper and magazine titles ("**titles**") supplied to the Chargor by the Chargee prior to the close of business on the Debt Conversion Date and calculated as:

- (a) amounts due to the Chargee by the Chargor for titles supplied to the Chargor prior to the close of business on the Debt Conversion Date and already invoiced by the Chargee to the Chargor but not paid by the Chargor prior to the close of business on the Debt Conversion Date; plus
- (b) amounts due to the Chargee by the Chargor for titles supplied to the Chargor prior to the close of business on the Debt Conversion Date but not yet invoiced by the Chargee; less
- (c) amounts credited or due to be credited for returns by the Chargee to the Chargor for titles supplied to the Chargor prior to the close of business on the Debt Conversion Date and not deducted from payments made by the Chargor prior to the close of business on the Debt Conversion Date; less
- (d) amounts credited or due to be credited by the Chargee to the Chargor for discount vouchers, supplement handling charges, double run delivery charges, other delivery charges, third party insert scheme payments and any other services provided by the Chargor in respect of titles supplied to the Chargor prior to the close of business on the Debt Conversion Date and not deducted from payments made by the Chargor prior to the close of business on the Debt Conversion Date;

"Existing Supply Terms" means all supply terms, conditions and agreements entered into between the Chargee and the Chargor or impliedly adopted by the Chargee and the Chargor in the ordinary course of trading in respect of the provision of distribution and related services by the Chargor to the Chargee, summary details of which are set out in the Schedule to the Standstill Agreement;

"Insolvency Event" means:

- (a) the passing of any resolution at a meeting of the Chargor, its directors or its members for, or to petition for, or apply for or to file documents with a court for its winding-up, administration (whether out of court or otherwise) or dissolution;

Name of company

*insert full name
of Company

* SURRIDGE DAWSON LIMITED ("Chargor")

(b) the appointment of a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer (in each case, whether out of court or otherwise) of the Chargor or its assets; or

(c) the enforcement of any Security Interest over any assets of the Chargor, except where such enforcement is by a Publisher and such enforcement constitutes a breach of the Standstill Agreement or the Priority Deed;

"Insurances" means all policies of insurance which are at any time held by or written in favour of the Chargor or in which the Chargor from time to time has an interest;

"Intellectual Property" means all present and future legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of the Chargor in, or relating to, registered and unregistered trade marks and service marks, patents, registered designs, utility models, applications for any of the foregoing, trade names, copyrights, design rights, unregistered designs, inventions, confidential information, know-how, registrable business names, database rights, domain names and any other rights of every kind deriving from or through the exploitation of any of the foregoing;

"Prior Ranking Debenture" means the debenture dated 24 August 2007 and made between, amongst others Dawson Holdings PLC and certain of its subsidiaries (including the Chargor) (as chargors) and Barclays Bank PLC (as Security Trustee);

"Priority Deed" means the deed of priority dated on or around the date of the Deed between (1) the Publishers (as Chargees), (2) Barclays Bank PLC (as Security Trustee and Agent) and (3) the Chargor;

"Property" means all estates and interests in freehold, leasehold and other immovable property (wherever situated) now or in future belonging to the Chargor or in which the Chargor has an interest at any time, together with:

(a) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon;

(b) all easements, rights and agreements in respect thereof; and

(c) the benefit of all covenants given in respect thereof;

"Publisher(s)" means the key newspaper publishers and magazine distributors which supply titles to the Chargor (including, but not limited to, the Chargee) and whose details are set out in the appendix to this continuation sheet;

"Receivables" means all present and future book debts and other debts, rentals, royalties, fees, value added tax and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, the Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with:

(a) the benefit of all rights, guarantees, Security Interests and remedies relating to any of the foregoing (including without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights); and

(b) all proceeds of any of the foregoing;

"Receiver" means any receiver, receiver and manager or administrative receiver appointed by the Chargee under the Deed;

"Related Rights" means, in relation to any Charged Security:

(a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition;

(b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of

Name of company

*insert full name
of Company

* SURRIDGE DAWSON LIMITED ("Chargor")

redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

"Second Charges" means the second-ranking fixed and floating charges granted by the Chargor on or around the date of the Deed over all of its assets and undertakings in favour of each of the other Publishers as security for the Chargor's obligations to those Publishers under clause 4 of the standstill agreements entered into by the Chargor and each of the other Publishers on or around the date of the Deed;

"Security" means the Security Interest created by or pursuant to the Deed;

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to the Deed;

"Security Interest" means any mortgage, pledge, lien, charge, assignment by way of security, hypothecation, security interest, title retention, preferential right or trust arrangement or any other security agreement or arrangement having the effect of security;

"Standstill Agreement" means the agreement relating to the standstill of debts owed by the Chargor to the Chargee dated on or around the date of the Deed and entered into between (1) the Chargee and (2) the Chargor (being substantially in the same form and having substantially the same content as the standstill agreements entered into by the Chargor and each of the other Publishers on or around the date of the Deed).

"Trigger Event" means each of the following:

(a) default by the Chargor on any payment due under clause 3.4 or 4 of the Standstill Agreement;

(b) the occurrence of an Insolvency Event;

(c) material breach by the Chargor of its obligations to collect or receive titles from the Chargee and distribute such titles under the Amended Supply Terms, except where such breach is caused by any act, event, non-occurrence, omission or accident which arises as a result of the negligence or fault of the Chargee;

(d) breach by the Chargor of any of its obligations under clause 7 (*Key Suppliers*) or clause 10 (*Information and Undertakings*) of the Standstill Agreement, in each case subject to the Chargor being given two Business Days written notice in which to rectify any such breach; and

(e) the Chargor creating or permitting to subsist any Security Interest in favour of any person, save for the Security Interests in existence as at the Debt Conversion Date and the Second Charges;

APPENDIX

Publishers

(1) **ASSOCIATED NEWSPAPERS LIMITED** incorporated and registered in England and Wales with company number 00084121

(2) **FRONTLINE LIMITED** incorporated and registered in England and Wales with company number 00329613

(3) **MGN LIMITED** incorporated and registered in England and Wales with company number 02571173

(4) **MARKETFORCE (UK) LIMITED** incorporated and registered in England and Wales with company number 00499150

(5) **CONDE NAST & NATIONAL MAGAZINE DISTRIBUTORS LIMITED** incorporated and registered in England

Company number

00744679

Name of company

*insert full name
of Company

* SURRIDGE DAWSON LIMITED ("Chargor")

and Wales with company number 01319853

(6) **SEYMOUR DISTRIBUTION LIMITED** incorporated and registered in England and Wales with company number 02954685

(7) **TELEGRAPH MEDIA GROUP LIMITED** incorporated and registered in England and Wales with company number 00451593

(8) **GUARDIAN NEWS & MEDIA LIMITED** incorporated and registered in England and Wales with company number 00908396

(9) **EXPRESS NEWSPAPERS** incorporated and registered in England and Wales with company number 00141748

(10) **NORTHERN & SHELL MAGAZINES LIMITED** incorporated and registered in England and Wales with company number 03009449

(11) **NORTHERN & SHELL DISTRIBUTION LIMITED** incorporated and registered in England and Wales with company number 02794459

(12) **NORTHERN & SHELL PLC** incorporated and registered in England and Wales with company number 01633971



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

**COMPANY NO. 744679
CHARGE NO. 11**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEBENTURE DATED 25 JUNE 2009
AND CREATED BY SURRIDGE DAWSON LIMITED FOR
SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE
COMPANY TO EXPRESS NEWSPAPERS 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 7
JULY 2009

GIVEN AT COMPANIES HOUSE, CARDIFF THE 8 JULY 2009



Companies House
— for the record —

P. Mee



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES