

**Particulars of a mortgage or charge**Please do not
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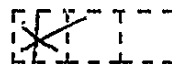
Pursuant to section 395 of the Companies Act 1985

M29

Please complete
legibly, preferably
in black type or
bold black
lettering*Insert full name
of company

To the Registrar of Companies

For official use Company number



2033222 W

Name of company

* COOMBE MUSIC INTERNATIONAL LIMITED

Date of creation of the charge

27. 11. 1991

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

Debenture

Amount secured by the mortgage or charge

1. all indebtedness, liabilities, obligations, covenants and duties of and all terms and conditions to be observed by Zomba Records Limited (the "Borrower") the Company or any Subsidiary (as defined in a Revolving Credit Loan Agreement dated 27 November 1991 and made between the Borrower and the Lender (the "Loan Agreement") or any other Person (as defined in the Loan Agreement), due or owing to, or in favour or for the benefit of, the Lender under the Loan Agreement, the Debenture or any Loan Document (as defined in the Loan Agreement) of every kind, direct or indirect, absolute or contingent, due or not due, liquidated or unliquidated, arising by operation of law or otherwise, now existing or hereafter arising, and whether or not for the payment of money or the performance or non-performance of any act and together with interest (the "Obligations"); and

cont'd. on p. 1 of Continuation Sheet No. One

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

BMG Records (UK) Limited (the "Lender"), Bedford House, 69-79
Fulham High Street, London

Postcode SW6 3JW

Presentor's name, address and
reference (if any):Frere Cholmeley
28 Lincoln's Inn Fields
London WC2A 3HH

Ref: SNJP/BM

Time critical reference

For official use
Mortgage section**REGISTERED**

13 DEC 1991

Post room



Short particulars of all the property mortgaged or charged

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1.

1.1 all estates and other interests of the Company in any freehold, leasehold and other immovable property both present and future (and including any lien, charge, option, agreement, right or interest in or over any land from time to time) including but not limited to the properties specified in the Schedule to the Debenture (a copy of which Schedule is attached) and all buildings and fixtures (including trade fixtures) from time to time on any such property;

1.2 all stocks, shares, bonds and securities of any kind whatsoever (whether marketable or otherwise) and all other interests including but not limited to the uncalled capital of the Company and any loan capital of the Company both present and future in any Subsidiary or

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lettering

Cont'd. on p. 2 and 3 of Continuation Sheet No. One

Particulars as to commission allowance or discount (note 3)

Nil

Signed *Frere Chalmers*

Date *13 December 1991*

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.

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The Solicitors' Law Stationery Society plc, Paulton House, 8 Shepherdess Walk, London N1 7LB

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**Particulars of a mortgage or charge
(continued)**

Continuation sheet No. One
to Forms Nos 395 and 410 (Scot)

Company number

2033222

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Name of company

COOMBE MUSIC INTERNATIONAL

Limited*

*Delete if
inappropriate

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

2. all losses, claims, damages, costs and expenses suffered or incurred by the Lender (as certified by the Lender) directly or indirectly as a result of any failure by the Borrower on the contractual date to pay or perform any of the Obligations.

Affiliate (both as defined in the Loan Agreement) of the Company or the Borrower (including all allotments, accretions, offers, rights, benefits and advantages whatsoever at any time accruing, offered or arising in respect of or incidental to the same) and all stocks, shares, rights, money or property accruing thereto or offered at any time by way of conversion, redemption, bonus, preference, option or otherwise in respect thereof;

- 1.3 the undertaking and goodwill and all other property, assets, revenues, claims and rights of the Company whatsoever and wheresoever tangible and intangible, both present and future (including but not limited to the stock in trade and work in progress of the Company wheresoever and the heritable property and the whole of the property, assets and rights in Scotland which is or may be from time to time whilst this Debenture is in force comprised in the property and undertaking of the Company and the assets described in 1.1 or 1.2 above if and in so far as the charges thereon shall for any reason be ineffective as fixed charges).

2. The charges created are as regards the assets described in 1.1 and 1.2 above first fixed charges (and as regards all those parts of the freehold and leasehold property now vested in the Company constitute a charge by way of first legal mortgage) and as to the assets described in 1.3 above are a first floating charge (subject to 3 below). It is a term of the Debenture that the Company will not without the prior consent in writing of the Lender directly or indirectly:-

- 2.1 create, assume or incur or attempt to create, assume or incur or permit to subsist any mortgage, debenture, charge, attachment or pledge upon or permit any lien or other encumbrance or security interest of any kind (save a Permitted Lien as defined in the Loan Agreement) to arise on or affect the goodwill, undertaking, property, assets, revenues and rights thereby charged (together the "Charged Assets") or any part thereof whether by way of fixed or floating charge or otherwise and whether or not ranking in priority to the security created by the Debenture; or
- 2.2 part with possession of, transfer, sell, assign, abandon, factor, lease or otherwise dispose of the Charged Assets or any part thereof or attempt or agree so to do except, in the case of the Charged Assets described in 1.3 above, to the extent permitted by, and subject to the terms of, the Loan Agreement and/or the Debenture.

3. It is a term of the Debenture that the floating charge may be converted into a fixed charge (generally or as regards any specified Charged Assets) by notice by the Lender in certain circumstances and such floating charge shall automatically and without notice be converted into a fixed charge in certain other circumstances.

4. The Loan Agreement (and/or Debenture) contains prohibitions/restrictions on the Borrower, the Company or any Subsidiary (as defined in the Loan Agreement), except as and to the extent and on the terms expressly permitted, inter alia:-

- 4.1 effecting transactions with Affiliates (as therein defined), and
- 4.2 incurring any Indebtedness (as therein defined), and

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

4.3 making any loan or advance except in the ordinary course of the Business (as therein defined), and

4.4 purchasing or acquiring capital stock, assets, obligations, or other securities of, or making capital contributions to, or investing or acquiring any interest in any Person (as therein defined), and

4.5 in relation to any of the Charged Assets, exercising any statutory or other powers of leasing or accepting surrenders of or varying leases or granting rights to occupy without the Lender's prior written consent.

5. The Debenture also contains an undertaking by the Company if and when required by the Lender forthwith to execute such further legal or other mortgages, fixed or floating charges or assignments, notices, documents and assurances as the Lender shall require over or in respect of all or any of the Charged Assets, present and future, in each case in form and substance reasonably satisfactory to the Lender, to secure the Obligations and/or to protect and preserve the Charged Assets (and/or the rights of the Lender in respect of them) and/or to effect, establish and maintain the validity, perfection, enforceability and priority of the charges contemplated.

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

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

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

I hereby certify that a mortgage or charge dated the 27th NOVEMBER 1991
and created by COOMBE MUSIC INTERNATIONAL LIMITED

for securing all moneys due or to become due from the Company AND/OR ZOMBA
RECORDS LIMITED OR ANY SUBSIDIARY (AS DEFINED) to BMG RECORDS (UK) LIMITED
under the terms of THE LOAN AGREEMENT ANY LOAN DOCUMENT AND THIS CHARGE

was registered pursuant to Chapter I Part XII of the Companies Act
1985, on the 13th DECEMBER 1991

Given under my hand at the Companies Registration Office,
Cardiff the 20th DECEMBER 1991

No. 2033222

K F Thomas
K F THOMAS

an authorised officer

C.69

*Post
20-12
a.p.*