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COMPANIES FORM No. 395

Particulars of a mortgage or charge

109/42/10

395

CHFP010.

Please do not write in
this margin**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

Please complete
legibly, preferably in
black type, or bold
block letteringTo the Registrar of Companies
(address overleaf - note 6)

For official use

Company Number

112

02579692

Name of company

* Insert full name of
company

* SOFTBRANDS EUROPE LIMITED (the "Company")

Date of creation of the charge

5 December 2002

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

Debenture

Amount secured by the mortgage or charge

The prompt and complete payment and performance when due (whether at the
stated maturity, by acceleration or otherwise) of the Guaranteed
Obligations.

(see continuation sheet)

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

Capital Resource Partners IV, L.P.

85 Merrimac Street, Suite 200, Boston

Massachusetts 02114, USA

Postcode

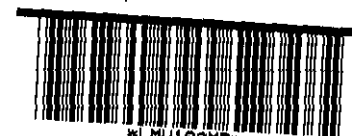
Presentor's name, address
and reference (if any):Dorsey & Whitney
21 Wilson Street
London EC2M 2TD
(Ref: TJS)

For official use

Mortgage Section

Post room

M

LD7
COMPANIES HOUSE

LMW19GMF

0458
10/12/02

Time critical reference

Short particulars of all the property mortgaged or charged

Please do not write in this margin

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

By way of first fixed charge: (a) the Property; all Rights relating to the Property; and all Rights relating to the Property coming into existence after the date of the Debenture; (b) all the Intellectual Property owned by the Company; (c) the Plant and Machinery; (d) the Shares; (e) all the goodwill and uncalled capital for the time being of the Company.

By way of first floating charge, all the undertaking and assets of the Company whatsoever, wherever situate, whether movable, immovable, present or future.

(see continuation sheet)

Particulars as to commission, allowance or discount (note 3)

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

Signed

Michael Wright

Date

5/12/62

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

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 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 percent 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

In this Form 395:

“Fixtures” shall mean all assets of whatsoever nature, apart from land and buildings, forming part of any freehold or leasehold property owned by the Company and deemed by law to be immovable property other than tenant's fixtures;

“Guaranteed Obligations” shall mean due payment, performance and fulfilment to the Purchaser of all Obligations, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising or acquired, sole, joint or several, and whether consisting of obligations to pay money or to perform obligations;

“Know-how” shall mean all the body of knowledge, technical experience, expertise and skills, technical processes, secret processes, formulae and technical information held by the Company and relating to its business, which is not in the public domain;

“Intellectual Property” shall mean all subsisting patents and subsisting rights of a similar nature held in any part of the world, applications for patents and such rights, divisions and continuations of such applications for patents, registered and unregistered trade marks, registered and unregistered service marks, registered designs, utility models (in each case for their full period and all extensions and renewals of them), applications for any of them and the right to apply for any of them in any part of the world, inventions, confidential information, Know-how, business names, trade names, brand names, copyright and rights in the nature of copyright, design rights and get-up and any similar rights existing in any country; and the benefit (subject to the burden) of any and all agreements, arrangements and licences in connection with any of the foregoing;

“Notes” shall mean the 12.5% Senior Subordinated Secured Notes due November 2009 issued by SoftBrands, Inc. pursuant to the Note Purchase Agreement;

“Note Purchase Agreement” shall mean the note purchase agreement entered into on 26 November 2002 between the Purchaser, SoftBrands, Inc., Softbrands Manufacturing, Inc., Softbrands Hospitality, Inc., Softbrands International, Inc., Softbrands Licensing, Inc. and the Company;

“Note Agreement” shall mean the Note Purchase Agreement, the Notes, the Subordination Agreement, the Preferred Stock Subordination Agreement and the Security Agreement;

“Obligations” shall mean all obligations of every nature of the SoftBrands Europe Limited from time to time owed to the Purchaser with respect to the Notes, whether under the Note Purchase Agreement or any other Note Agreement, whether for principal, interest, redemption, fees, expenses, indemnification or otherwise;

“Occupational Lease” shall mean all leasehold interests and other occupational rights whatsoever (including, without limitation, all licences and agreements for leases) in existence from time to time relating to the whole or any part of the Property, the immediate reversion to which is vested in the Company;

“Plant and Machinery” shall mean all plant and machinery, equipment, fittings, installations and apparatus, tools, motor vehicles and all other such assets (other than Fixtures) whatsoever, wherever situate, which are the property of the Company;

“Preferred Stock Subordination Agreement” shall mean the subordination agreement to be entered into by the holders of preferred stock in SoftBrands, Inc. and SoftBrands, Inc. pursuant to the Note Purchase Agreement;

“Property” shall mean all estates and other interests in any freehold, leasehold or other immovable property (including, without limitation, all Fixtures on such property) which are the property of the Company, all proceeds of sale derived from such property and the benefit of all covenants to which the Company is entitled in respect of such property;

“Purchaser” shall mean Capital Resource Partners IV, L.P., a Delaware limited partnership, and its successors and assigns;

“Rights” shall mean all the Company's rights, title and interest from time to time in any lease, licence or occupational right whatsoever together with the entire benefit of all the Company's rights, title and interest from time to time in any renewal of, replacement of or variation to any such lease, licence or occupational right (including, without limitation, all its rights, title and interest in any Occupational Lease, agreement for any Occupational Lease and any associated agreements which may be granted by the Company or any person deriving title from the Company from time to time over or in respect of the whole or any part of the Property and any other properties (freehold or leasehold) in which the Company has an interest);

“Security Agreement” shall mean the security agreement to be entered into by the Purchaser, SoftBrands, Inc. and certain of its subsidiaries pursuant to the Note Purchase Agreement;

“Shares” shall mean no more than sixty five percent (65%) of the equity securities of any foreign subsidiaries of the Company which are held to the order of the Purchaser whether held in the United Kingdom or elsewhere and irrespective of whether the deposit was made or the certificates or other documents were received by the Purchaser for the purposes of creating security, safe custody, collection or otherwise; and

“Subordination Agreement” shall mean the subordination agreement to be entered into by the Purchaser and SoftBrands, Inc. pursuant to the Note Purchase Agreement.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 02579692

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 5th DECEMBER 2002 AND CREATED BY SOFTBRANDS EUROPE LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO CAPITAL RESOURCE PARTNERS IV, L.P. 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 10th DECEMBER 2002.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 13th DECEMBER 2002.

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Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES