

Particulars of a mortgage or charge

395Please do not write
in this margin

CHA 267

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

ACCOUNT RECEIVED

Company number 17 MAR 2000
2678883Please complete
legibly, preferably
in black type, or
old block
lettering

Name of company

* Flextech Distribution Limited (the "Company")

insert full name
of company

Date of creation of the charge

2 March 2000

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

A composite debenture between the Company (among others) (1) and The Toronto-Dominion Bank as security trustee for the Beneficiaries (as defined below) (the "Security Trustee") (2) (the "Debenture").

Amount secured by the mortgage or charge

All moneys, obligations and liabilities from time to time due, owing or incurred under or pursuant to the Transaction Documents (as defined below) when the same become due for payment or discharge whether by acceleration or otherwise, and whether such moneys, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to the Beneficiaries (or any of them) or purchased or otherwise acquired by them or it; denominated in sterling or in any other currency.

Presentor's name address and
reference (if any):Norton Rose
Kempson House
Camomile Street
London EC3A 7ANMDI/RIJ/Z998377/Form395FlexDistrib
.doc

Time critical reference

For official Use
Mortgage Section

Post room

LD3
COMPANIES HOUSE0407
16/03/00

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

THE TORONTO-DOMINION BANK of
Triton Court, 14/18 Finsbury Square,
London EC2A 1DB

Short particulars of all the property mortgaged or charged

1. The Debenture creates a first fixed charge over the Securities (as defined below), and all allotments, rights, benefits and advantages whatsoever accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of the Securities.

2. It also creates a first floating charge over the Company's undertaking and all of the Company's property, assets and rights both present and future, other than any property or assets from time to time effectively charged or assigned by way of fixed charge or assignment pursuant to the Debenture.

3. The Debenture contains a covenant by the Company that it will not, without the prior written consent of the Security Trustee:

(a) create or attempt to create or permit to subsist, arise or be extended in favour of any person other than the Security Trustee any Encumbrance (as defined below), except for a Permitted Encumbrance (as described in paragraph 4 below), on or affecting the Charged Assets (as defined below) or any part thereof; or

(b) make any disposal of the Charged Assets or any part thereof which is prohibited by the terms of the Facility Agreement (as defined below) or attempt or agree so to do.

4. The following are Permitted Encumbrances:

(a) Encumbrances granted by the Parent or any of its Subsidiaries (both as defined below) up to an aggregate amount of £5,000,000;

(b) the charge created on 10th August 1995 by Maidstone Broadcasting in favour of the Secretary of State for the Environment; and

(c) the mortgage debenture given by The Way Ahead Group Limited in favour of National Westminster Bank plc dated 15 January, 1999, provided that the amount secured does not exceed £1,000,000.

Definitions:

"Beneficiaries" has the meaning given to it in the Security Trust Deed (as defined below);

"Charged Assets" means all the undertaking, goodwill, property, assets and rights of the

Short particulars of all the property mortgaged or charged

Company described in paragraphs 1 and 2;

"Encumbrance" means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment by way of security, trust arrangement or security interest of any kind securing any obligation of any person or any other type of preferential arrangement (but excluding without limitation title transfer and/or retention arrangements having a similar effect) but does not include liens arising in the ordinary course of trading by operation of law and not by way of contract;

"Original Agreement" means the agreement dated 25 January 2000 and made between Flextech plc as Parent and a Borrower (1), Flextech (1992) Limited as a Borrower (2), the companies whose names, registered offices and registered numbers are set out in part A of schedule 1 thereto as Guarantors (3), Toronto Dominion Bank Europe Limited as Arranger (4), the banks and financial institutions whose names and addresses are set out in part B of schedule 1 thereto (5), The Toronto-Dominion Bank as Agent (6), and The Toronto-Dominion Bank as Security Trustee (7); In the Debenture and in this document, the Original Agreement, as from time to time amended, varied, extended, restated or replaced, including, without limitation, to effect an increase in the principal amount, is referred to as the "Facility Agreement";

"Parent" means Flextech plc;

"Securities" means all stocks, shares and securities of any kind whatsoever whether marketable or otherwise in each of the share security subsidiaries listed in part B of schedule 1 of the Debenture or (to the extent not so listed) in any material subsidiary from time to time;

"Security Trust Deed" means the deed dated 2 March 2000 and made between Flextech plc as Parent and a Borrower (1), Flextech (1992) Limited as a Borrower (2), the companies whose names, registered offices and registered numbers are set out in part A of schedule 1 thereto as original Security Providers (3), the banks and financial institutions whose names and addresses are set out in part B of schedule 1 thereto (4), Toronto Dominion Bank Europe Limited as Arranger (5), The Toronto-Dominion Bank as Agent (6), The Toronto-Dominion Bank as Security Trustee (7) and the Hedge Counterparties (8);

"Subsidiaries" means a subsidiary within section 736 of the Companies Act 1985; and

"Transaction Documents" includes the Facility Agreement and has the meaning given to that term in the Facility Agreement.

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Norton Rose

Date

15 March 2000

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.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 02678883

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A COMPOSITE DEBENTURE DATED THE 2nd MARCH 2000 AND CREATED BY FLEXTech DISTRIBUTION LIMITED FOR SECURING ALL MONIES OBLIGATIONS AND LIABILITIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE TORONTO-DOMINION BANK AS SECURITY TRUSTEE FOR THE BENEFICIARIES (AS DEFINED) (IN THIS CAPACITY THE "SECURITY TRUSTEE") UNDER OR PURSUANT TO THE TRANSACTION DOCUMENTS (AS DEFINED) ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 16th MARCH 2000.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 20th MARCH 2000.

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THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

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