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*insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

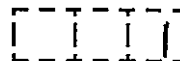
395

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number



3339144

Name of company

* P J Printing Limited

Date of creation of the charge

20 May 1997

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

Mortgage Debenture (the "Mortgage Debenture") dated 20 May 1997 and made between P J Printing Limited (the "Company") (1), P J Reproductions Limited ("PJR") (2), Azimuth Limited ("Azimuth") (3), (PJR and Azimuth collectively the "Charging Subsidiaries" and each a "Charging Subsidiary") and G de Z Investments Limited (the "Noteholder") (4).

Amount secured by the mortgage or charge

See Rider 1.

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

G de Z Investments Limited
Units 1-3, Rowley Industrial Park,
London W3 8BH

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

Cameron McKenna
Mitre House,
160 Aldersgate Street
London EC1A 4DD

JPL/44877.0001

Time critical reference

For official use
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

See Rider 2.

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Particulars as to commission allowance or discount (note 3)

Signed

Carsten McKenna

Date 09 June 1997

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.

Rider 1

Amount Secured

- A. A obligations and liabilities whatsoever, whether actual or contingent, present or future, which may be at the time of the creation of the Mortgage Debenture or at any time thereafter due, owing or incurred by it (whether alone or jointly and whether as principal or surety) to the Noteholder pursuant to or in connection with the £990,000 Floating Rate Secured Loan Notes 2002 to be issued by the Company (the "Loan Notes") and/or the instrument dated 20th May 1997 entered into by the Company, pursuant to which, and on the conditions set out in which, the Loan Notes are to be issued (the "Loan Note Instrument") and/or under the Mortgage Debenture.
- B. All reasonable costs (including any legal costs), charges, expenses and damages sustained or incurred by the Noteholder in connection with the enforcement of all or any of the obligations and liabilities set out in the Mortgage Debenture or in the Loan Notes or the Loan Note Instrument (including, without limitation, those contained in Clause 2 of the Mortgage Debenture) and any indebtedness monies, obligations or liabilities (whether actual or contingent, present or future) from time to time owed to the Noteholder by the Company in connection therewith (the "Secured Obligations"), or the defence, protection or preservation of any of the Noteholder's rights against the Company or under or pursuant to any security or guarantee for the performance of any of the Secured Obligations or in connection with the appointment of any receiver, receiver and manager or administrative receiver appointed pursuant to the provisions of the Mortgage Debenture (a "Receiver"), delegate or sub-delegate thereunder or the pursuit or (purported pursuit) of any rights therein contained in each case on a full indemnity basis.
- C. Interest on and in respect of any amounts due under the provisions referred to in paragraphs A and B above on a daily basis from the date upon which the same becomes due until full discharge (whether before or after judgement, liquidation, winding-up or administration of the Company) at such rate or rates as may from time to time be payable or deemed to be payable and compounded (whether before or after demand or judgement) in accordance with the Loan Note Instrument and, in the case of any sum payable under paragraph B above at the rate of 4 per cent per annum over the Base Rate of National Westminster Bank plc from time to time; PROVIDED THAT, in relation to such costs, charges, expenses, and damages and other sums as are mentioned in paragraph B above interest shall accrue and be payable as from the date on which the same are paid by the Noteholder, any Receiver, delegate or sub-delegate therein mentioned without the necessity for any demand being made for payment thereof.
- D. The amount recoverable under Clause 26 of the Mortgage Debenture being the amount of any security granted or payment made to the Noteholder by the Company or the Charging Subsidiaries or any other person on any settlement, discharge or release which is avoided or reduced or ordered to be refunded by virtue of any provisions of any enactments relating to bankruptcy, liquidation or insolvency for the time being in force.
- E. All costs incurred by any Receiver in carrying out such acts in relation to all or any part of the Charged Property (as hereinafter defined) which such Receiver considers necessary or desirable to maintain the value of such Charged Property or to maintain the efficacy of the security constituted by the Mortgage Debenture over the Charged Property, including, without limitation, the costs of services obtained from any persons in any way relating thereto and the costs of employing agents, contractors, workmen, surveyors, architects, lawyers or such other persons as it or he thinks fit to advise on all acts in relation thereto, together with interest at the highest rate referred to in paragraph C. above accruing from the date of the same being incurred by such Receiver.

- F. All liabilities, costs, charges, losses and expenses properly incurred or suffered by the Noteholder and every Receiver, delegate, sub-delegate or other person appointed by the Noteholder and any manager, agent, officer or employee for whose liability, act or omission any of them may be answerable or any of them in the execution or the purported execution of any powers, authorities or discretions vested in them or any of them pursuant to the Mortgage Debenture and against all actions, proceedings, claims and demands in respect of any matter or thing done or omitted or in any way relating to the Charged Property or the provisions of the Mortgage Debenture or occasioned by any breach by any the Company, PJR or Azimuth of any of its covenants or other obligations to the Noteholder under the Mortgage Debenture or under the Loan Notes or the Loan Note Instrument.

Rider 2

Particulars of all the Property Charged

- A. As a continuing security for the payment, performance and discharge of all the respective liabilities and obligations described above, but subject always to the provision referred to in paragraph (d) below:-
- (i) by way of legal mortgage all of the freehold and leasehold property now vested in the Company including but not limited to the properties short particulars of which are set out in Schedule 1 to the Mortgage Debenture and all buildings and fixtures (including trade fixtures, tenant's fixtures and fixed plant and machinery) at the time of creation of the Mortgage Debenture or thereafter from time to time therein or thereon but excluding all land in Scotland (the "Legally Mortgaged Property") and/or the proceeds of sale thereof;
 - (ii) by way of fixed equitable charge all estates or interests in any freehold and leasehold property (other than such property effectively mortgaged under paragraph (i) above) at the time of creation of the Mortgage Debenture and at any time during the continuance of the security created by it belonging to or charged to the Company and all licences at the time of creation of the Mortgage Debenture or thereafter held by the Company to enter upon or use land and the benefit of all other agreements relating to land to which the Company is or may become a party or otherwise entitled and all buildings fixtures (including trade and tenant's fixtures) and fixed plant and machinery owned by the Company and from time to time in or on any freehold or leasehold property an interest in which is charged or mortgaged thereunder (the "Equitably Charged Property") and/or the proceeds of sale thereof;
 - (iii) by way of fixed charge all book debts (including bank deposits, credit balances and the accounts in respect of the same) and other monetary debts and claims at the time of creation of the Mortgage Debenture and from time to time due or owing to the Company and the benefit of all rights relating thereto including (without prejudice to the generality of the foregoing) things in action which give rise or may give rise to a debt or debts and all the right, title and interest of the Company to and in any policies of insurance or assurance and the proceeds thereof (the "Book and other Debts");
 - (iv) by way of fixed charge all stocks, shares and/or other securities legally and/or beneficially owned by the Company or any nominee of the Company including without limitation all dividends, benefits, property, rights, accretions, monies, advantages, credits, rebates, refunds (including rebates and refunds in respect of any tax, duties, imposts or charges) and other distributions paid or payable in respect thereof whether by way of bonus, capitalisation, preference, option, redemption or otherwise (the "Securities") together with all bills of exchange, promissory notes, negotiable instruments, debentures, loan capital indebtedness or liabilities on any account or in any manner owing to the Company (the "Securities and Debt Instruments");
 - (v) by way of fixed charge the uncalled capital, goodwill, (which shall include all brand names) licences, trademarks and service marks (which shall include without limitation all symbols, representations or similar patterns of a trademark), patents, patent applications, designs, copyrights, confidential information, computer software, rights in the nature of copyright, registered designs, know-how, design rights and all other intellectual property rights at the time of creation of the Mortgage Debenture or at any time during the continuance of this security belonging to the Company (the "Goodwill and Intellectual Property");

- (vi) by way of fixed charge all amounts realised upon the enforcement or execution of any order of the court under Sections 212, 213, 214, 238, 239, 244 or 423 of the Insolvency Act 1986;
- (vii) by way of deposit with the intention of charging the same or the assets to which they relate (as the case may be) as and when the deposit is made:-
 - (a) all deeds and documents of title relating to all freehold, leasehold and heritable property from time to time belonging to the Company (and the insurance policies relating thereto);
 - (b) all moneys, benefits and advantages that may become payable under any policy of life assurance effected under the provisions of the Mortgage Debenture and the full benefit of such policies and all the right, title and interest whatsoever of the Company therein together with full power to give an effectual discharge for any of the moneys so assured or to become payable to hold for the Noteholder absolutely, but subject nevertheless to redemption at the cost of the Company on payment and discharge of all moneys obligations and liabilities hereby covenanted to be paid (the "Policies") and all other assurance policies from time to time effected by the Company on the lives of key officers and employees; and
 - (c) all such documents relating to the Charged Property (as hereinafter defined) as the Noteholder may from time to time require; and
- (viii) by way of floating charge its undertaking and all its other property, assets and rights whatsoever and wheresoever present or future including, without limitation, all or any deposits, credit balances and other sums with any bank or financial institution and the accounts in respect of the same (the "Cash at Bank") of the Company, the stock in trade of the Company and the property, assets and rights mortgaged or charged under paragraphs (i) to (vi) (inclusive) above if and in so far as the mortgage or charges thereon herein contained shall for any reason be ineffective as fixed charges or security (all such property assets and rights hereinafter called the "Property charged by way of Floating Charge" and together with the Legally Mortgaged Property, the Equitably Charged Property, the Book and other Debts, the Securities and Debt Instruments, the Goodwill and Intellectual Property, the Policies and all other property hereby mortgaged or charged or purported to be mortgaged or charged collectively called the "Charged Property" which expression shall be taken to refer to the real and/or the personal or incorporeal property hereby mortgaged or charged or purported to be mortgaged or charged as the context may require or admit).

N.B. The Mortgage Debenture contains provisions whereby the Company covenants and agrees that it will not without the consent in writing of the Noteholder:-

- (a) create, assume or permit to exist any mortgage, charge, hypothecation, pledge, lien, encumbrance, trust arrangement, contractual arrangement having the effect of security, conditional sale or other title retention agreement or other security interest whatsoever, howsoever created or arising (a "Security Interest"), or permit any other proprietary right or interest to arise on or affect the Charged Property or any part thereof or any interest therein other than the chattel mortgage dated 3 March 1995 between PJR (1) and James McNaughton Paper Group Limited (2) (the "Chattel Mortgage"); or
- (b) part with possession of, transfer, sell, lease or otherwise dispose of the Charged Property or any part thereof or any interest therein or attempt or agree so to do whether by a single or a series of transactions save that this provision shall not apply to such of the Charged Property

as is charged pursuant to the provision referred to in paragraph (viii) above only and not otherwise where any such disposals are made in the ordinary course of trading as it is now conducted for full value and for the purpose of carrying on its business.

N.B. The Mortgage Debenture also contains the following provisions:-

- (c) notwithstanding anything herein contained, upon the Noteholder serving a demand under the Mortgage Debenture or if the Company creates any Security Interest in respect of or otherwise encumbers in any way the Charged Property, or attempts to do so or if any person levies or attempts to levy any distress execution or sequestration or other process against any of the Charged Property, the floating charge shall automatically and without need for notice operate as a fixed charge the moment any such event occurs; and
- (d) there be excluded from the scope of each of the charges contained in Clause 3.1 (i.e., those referred to in paragraphs A(i) to (vi) (inclusive) and (viii) above) all of the Mortgaged Property as defined in the Chattel Mortgage (the "Previously Mortgaged Property") to the extent that it remains mortgaged, charged or assigned under the Chattel Mortgage.

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03339144

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A MORTGAGE DEBENTURE DATED THE 20th MAY 1997 AND CREATED BY PJ PRINTING LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY AND/OR ALL OR ANY OF THE OTHER COMPANIES NAMED THEREIN TO G DE Z INVESTMENTS LIMITED (IN SUCH CAPACITY THE "NOTEHOLDER") UNDER THE MORTGAGE DEBENTURE OR IN THE LOAN NOTE OR THE LOAN NOTE INSTRUMENT (INCLUDING, WITHOUT LIMITATION, THOSE CONTAINED IN CLAUSE 2) AS DEFINED THEREIN WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 10th JUNE 1997.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 12th JUNE 1997.

A. P. GODDARD

for the Registrar of Companies



COMPANIES HOUSE

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