

CHFP025

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

*insert full name
of Company

358954/104

395

Pursuant to section 395 of the Companies Act 1985

For official use

Company number

11-11-3

3480229

Name of company

* David Hallisall International Holdings Limited ("Company")

Date of creation of the charge

25 August 2005

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

Deed of Debenture made between (1) the Company and others as Chargors ("**Chargors**") and (2) Burdale Financial Limited ("**Burdale**") ("**Debenture**")

Amount secured by the mortgage or charge

All present and future obligations and liabilities whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity whatsoever of each Chargor to Burdale except for any obligation which, if it were so included, would result in a contravention of section 151 of the Companies Act 1985 (or to the extent to which it may be applicable to any Chargor, its equivalent in any jurisdiction) ("**Secured Liabilities**").

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

Burdale Financial Limited, whose registered office is at 1 Temple Back East, Temple Quay, Bristol

Postcode BS1 6DX

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

DLA Piper Rudnick Gray Cary UK LLP
Princes Exchange
Princes Square
LEEDS
LS1 4BY

62131/120074/10934412.1

Time critical reference

For official Use (06/2005)
Mortgage Section

Post room



A18
COMPANIES HOUSE

372
01/09/2006

Note 1

1. Each Chargor, as security for the payment and performance of the Secured Liabilities and with full title guarantee:
- (a) charges in favour of Burdale by way of a first legal mortgage the Property as defined below and all other interests in any freehold or leasehold property now or in the future belonging to it; and
 - (b) charges in favour of Burdale by way of a first fixed charge:
 - (i) (to the extent that they are not within (a) above) all interests in any freehold or leasehold property now or in the future belonging to it;
 - (ii) all Equipment (as defined below) other than any Specified Equipment (as defined below) effectively mortgaged to Burdale by way of a first legal mortgage pursuant to (d) below now or in the future belonging to it and its interest in any such Equipment (as defined below) in its possession now or in the future;

Please do not 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 DRA Piper Rudnick Gray Cary LLP Date 31 August 2006

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

A fee is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

Notes

† delete as appropriate

- 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

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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 description of the mortgages or persons entitled to the charge (continued)

Addendum 4/4

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

- (iii) all of its benefits, claims and returns of premiums in respect of the Insurances (as defined below);
- (iv) all of its right, title, interest and benefit (if any) in and to the Blocked Accounts (as defined below) and all monies standing to the credit of any of the Blocked Accounts (as defined below) and the debts represented by them;
- (v) its goodwill and its rights in relation to uncalled capital both present and future;
- (vi) its Book Debts (as defined below), both uncollected and collected, the proceeds of the same and all monies otherwise due and owing to such Chargor (but excluding (A) to the extent effectively charged to Burdale pursuant to (iv) above, the Blocked Accounts (as defined below) and any amounts standing to the credit thereof and (B) the Other Accounts (as defined below) and any amounts standing to the credit thereof;
- (vii) the benefit of all rights, securities and guarantees of whatsoever nature enjoyed or held by it in relation to anything in (vi) above;
- (viii) its rights under any hedging arrangements;
- (ix) any of its beneficial interest, claim or entitlement in any pension fund;
- (x) the benefit of all permissions of whatsoever nature and whether statutory or otherwise, held in connection with its business or the use of any Security Asset (as defined below) and the right to recover and receive all compensation which may be payable to it;
- (xi) its Intellectual Property (as defined below) now or in the future subject to any necessary (as at the date of the Debenture) third party's consent to such charge being obtained. To the extent that such Intellectual Property (as defined below) is not capable of being charged (whether by reason of lack of any such consent or otherwise) the charge purported to be effected by this paragraph (xi) shall operate as an assignment of any and all damages, compensation, remuneration, profit, rent or income which any Chargor may derive from such Intellectual Property (as defined below) or be awarded or entitled to in respect of such Intellectual

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Property (as defined below) as continuing security for the payment, discharge and performance of the Secured Liabilities (as defined below);

- (c) mortgages and charges and agrees to mortgage and charge to Burdale by way of first mortgage all Group Shares (as defined below) held now or in the future by it and/or any nominee on its behalf; and
- (d) mortgages and charges and agrees to mortgage and charge to Burdale by way of first mortgage all the Related Rights (as defined below) accruing to all or any of the Group Shares (as defined below) held now or in the future by it and/or any nominee on its behalf.

Provided that:

- (i) whilst no Event of Default (as defined below) is continuing, all dividends and other distributions paid or payable as referred to in (d) above may be paid directly to the relevant Chargor (in which case Burdale or its nominee shall execute any necessary dividend mandate) and, if paid directly to Burdale shall be paid promptly by it to the relevant Chargor; and
- (ii) subject to Clause 6.4(b) of the Debenture whilst no Event of Default (as defined below) is continuing, all voting rights attaching to the relevant Group Shares (as defined below) may be exercised by the relevant Chargor or, where the shares have been registered in the name of Burdale or its nominee, as the relevant Chargor may direct in writing, and Burdale and any nominee of Burdale in whose name such Group Shares (as defined below) are registered shall execute any form of proxy or other document reasonably required in order for the relevant Chargor to do so.
- (e) mortgages and charges and agrees to mortgage and charge to Burdale by way of first mortgage all of its right, title and interest in and to:
 - (i) the Specified Equipment (as defined below);
 - (ii) all spare parts and replacements for and all modifications and additions to the Specified Equipment (as defined below)

2. The security constituted by or pursuant to this assignment shall be in addition to and shall be independent of every bill, note, guarantee, mortgage, pledge or other security which Burdale may at any time hold in respect of any of the Secured Liabilities (as defined below).
3. The Company shall, upon an Event of Default (as defined below) or if so requested by Burdale, at any time on or after the potential Event of Default (as defined below) deliver a duly completed notice of assignment to each other party to the share purchase agreement, and shall use its reasonable endeavours to procure that each such party executes and delivers to Burdale an acknowledgement, in each case in the respective forms set out in Schedule 9 of the Debenture (or in such other form as Burdale shall agree).
4. Each Chargor as security for the payment and performance of the Secured Liabilities (as defined below) and in the manner specified in Clause 1.2(g) of the Debenture charges in favour of Burdale by way of a floating charge all its assets and undertaking not otherwise effectively mortgaged or charged by way of fixed mortgage or charge by (1) above.

Note 2

Each Chargor shall, at its own expense, execute and do all such acts, deeds and things (including, without limitation, payment of all stamp duties and registration fees) Burdale or a Receiver (as defined below) may reasonably require for:

- (a) perfecting or better perfecting or protecting or better protecting the security intended to be created by the Debenture over any Security Asset (as defined below); and
- (b) after the security constituted by the Debenture has become enforceable, facilitating the realisation of any Security Asset (as

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defined below) or the exercise of any right, power or discretion exercisable, by Burdale or any Receiver (as defined below) in respect of any Security Asset (as defined below) including, without limitation, the execution of any transfer, conveyance, assignment or assurance of any property whether to Burdale or to its nominees, and the giving of any notice, order or direction and the making of any registration, which in any such case, Burdale may think necessary or desirable.

No Chargor shall:

- (a) create or permit to subsist any Security Interest (as defined below) of whatsoever nature on any Security Asset (as defined below) other than a Permitted Security Interest (as defined below); or
- (b) sell, transfer, grant, lease or otherwise dispose of any Security Asset (as defined below), except for the disposal in the ordinary course of trade of any Security Asset (as defined below) subject to the floating charge created by (5) above and except as provided for under the Finance Documents.

Note 3

The Debenture contains the power to appoint a receiver.

Note 4

The Debenture contains a power of attorney in favour of Burdale.

Definitions:

"Blocked Accounts" means, in relation to any Chargor:

- (a) the bank accounts of that Chargor specified in Part I of Schedule 6 of the Debenture;
- (b) the bank accounts of any Chargor specified in Part V of any Deed of Accession (as defined below); and
- (c) such other bank accounts of the Chargors as Burdale may designate or approve by notice in writing to the relevant Chargor.

"Book Debts" means:

- (a) all book and other debts in existence from time to time (including, without limitation, any sums whatsoever owed by banks or similar institutions) both present and future, actual or contingent, due, owing to or which may become due, owing to or purchased or otherwise acquired by any Chargor; and
- (b) the benefit of all rights whatsoever relating to the debts referred to above including, without limitation, any related agreements, documents, rights and remedies (including, without limitation, negotiable or non-negotiable instruments, guarantees, indemnities, legal and equitable charges, reservation of proprietary rights, rights of tracing, unpaid vendor's liens and all similar connected or related rights and assets).

"Deed of Accession" means a deed of accession substantially in the form set out in Schedule 8 of the Debenture.

"Equipment" means (save to the extent that any such items form part of such Chargor's stock in trade) all present and future plant, equipment, machinery, computers and computer hardware and software (whether owned or licensed), vehicles, tools, furniture and fixtures and all attachments, accessories owned by any Chargor and property (other than Fixtures (as defined below)) now or in future relating to it or used in connection with it and replacements and substitutions for it wherever located.

"Event of Default" is defined in the Facility Agreement (as defined below).

"Facility Agreement" means the facility agreement dated 25 August 2006 between the Chargors and Burdale.

"Fixtures" means all fixtures and fittings (including, without limitation, those of trade) and fixed plant and machinery on the Mortgaged Property (as defined below).

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"Group Shares" means in relation to any Chargor:

- (a) the shares specified as belonging to that Chargor in Schedule 3 of the Debenture;
- (b) the shares specified as belonging to that Chargor in Part II of the Schedule to any Deed of Accession (as defined below); and
- (c) all other stocks, shares, debentures, bonds, warrants, coupons or other securities and investments now or in the future owned by that Chargor from time to time.

"Insurances" means all contracts and policies of insurance taken out by or for a Chargor or in which any Chargor has an interest (to the extent of that interest).**"Intellectual Property"** means any and 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 (including all rights to sue on or in relation to unregistered marks in any jurisdiction under passing off, unfair competition or similar rules or otherwise, and all goodwill and other rights that would form the basis for any such claims), 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, database rights, Know-how (as defined below) (and all rights in relation to it), business names, trade names, brand names, domain names (and the rights of a registrant therein) 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 including but not limited to the Specified Intellectual Property (as defined below).**"Know-how"** means all the body of knowledge, technical experience, expertise and skills, technical processes, secret processes, formulae and technical information held by any Chargor and relating to its business, which is not in the public domain.**"Mortgaged Property"** means any freehold or leasehold property (including the Premises (as defined below)) the subject of the security created by the Debenture and includes, without limitation, the property listed in Schedule 2 of the Debenture and any property listed in Part 1 of the Schedule to any Deed of Accession (as defined above).**"Other Accounts"** means:

- (a) the bank accounts of the Chargors specified in Part 2 of Schedule 6 to the Debenture;
- (b) the bank accounts of any Chargor specified in Part VI of the Schedule to any Deed of Accession (as defined above); and
- (c) such other bank accounts of the Chargors as Burdale may designate or approve by notice in writing to the relevant Chargor.

"Permitted Security Interest" is defined in the Facility Agreement (as defined above).**"Premises"** means any building or other edifice on the Mortgaged Property (as defined above) or other Security Asset (as defined below).**"Property"** means Land and Buildings on the East side of Copse Road, Fleetwood, Lancashire registered at the Land Registry with title number LA713942.**"Receiver"** means any individual or individuals (who may be an employee or employees of Burdale) for the time being and from time to time appointment by Burdale to be a receiver or receivers (and, where more than one individual is appointed jointly, they shall have the power to act severally, unless Burdale shall specify to the contrary in their appointment) under the Debenture and, where the context shall admit, any individual or individuals for the time being and from time to time so appointed in substitution, provide always that all such individuals shall be qualified under the Insolvency Act 1986 to act as a receiver of the property of any company with respect to which he is appointed or as an administrative receiver of any such company.**"Related Rights"** means, in relation to the Group Shares (as defined above), all dividends and other distributions paid or payable after

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today's date on all or any of the Group Shares (as defined above) and all stocks, shares, securities (and the dividends or interest on them), rights, money or property accruing or offered at any time by way of redemption, bonus, preference, option rights or otherwise to or in respect of any of the Group Shares (as defined above) or in substitution or exchange for any of the Group Shares (as defined above).

"Security Assets" means all assets of each Chargor the subject of any security created by the Debenture (and includes the Mortgaged Property (as defined above)).

"Security Interest" is defined in the Facility Agreement (as defined above).

"Specified Equipment" means the Equipment (as defined above) (if any) specified in Schedule 4 of the Debenture or in Part III of the Schedule to any Deed of Accession (as defined above).

"Specified Intellectual Property" means the registered Intellectual Property (as defined above) (if any) specified in Schedule 5 of the Debenture and in Part IV of the Schedule to any Deed of Accession (as defined above).

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03480229

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 25th AUGUST 2006 AND CREATED BY DAVID HALSALL INTERNATIONAL HOLDINGS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM EACH CHARGOR TO BURDALE FINANCIAL LIMITED ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 1st SEPTEMBER 2006.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 6th SEPTEMBER 2006.

[Handwritten signature]



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES