

# M

CHFP025

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legibly, preferably  
in black type, or  
bold block lettering

\* insert full name  
of Company

## COMPANIES FORM No. 395

### Particulars of a mortgage or charge

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

To the Registrar of Companies  
(Address overleaf - Note 6)

For official use

Company number

		5
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3674996

Name of company

\* CORAL GROUP TRADING LIMITED (the "New Charging Company")

Date of creation of the charge

10 December 2004

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

SECURITY ACCESSION DEED dated 10 December 2004 between among others the New Charging Company, the Principal Borrower and the Security Agent (the "Security Accession Deed")

Amount secured by the mortgage or charge

All money or liabilities due, owing or incurred to any Secured Party by any Charging Company or any other Obligor under any Finance Document at present or in the future, in any manner whether actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing thereon and including all liabilities in connection with any notes, bills or other instruments accepted by any Secured Party for or at the request of an Obligor and all losses incurred by any Secured Party in connection therewith except for any money or liability which, if it were so included, would cause the infringement of section 151 of the Companies Act 1985 (the "Indebtedness")

Continued on Addendum 2/4

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

THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND, Level 7, Bishopsgate Exchange, 155 Bishopsgate, London as security trustee for itself and the other Secured Parties (the "Security Agent")

Postcode EC2M 3YB

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

Ashurst  
Broadwalk House  
5 Appold Street  
London EC2A 2HA

JRS/L794.00126/3596671

Time critical reference

For official Use  
Mortgage Section

Post room



A40  
COMPANIES HOUSE

\*AUSK519U\*

0740  
21/12/04

Short particulars of all the property mortgaged or charged

1. ACCESSION

The New Charging Company has agreed to be a Charging Company for the purposes of the Debenture with immediate effect and has agreed to be bound by all of the terms of the Debenture as if it had originally been a party to it as a Charging Company.

2. CHARGING CLAUSE

2.1 Subject to the applicable terms of the Debenture, the New Charging Company, as continuing security for the payment of the Indebtedness, has charged in favour of Security Agent (or, if the Security Agent so chooses, its nominee) with full title guarantee the following assets, both present and future, from time to time owned by it or in which it has an interest:

(a) by way of first legal mortgage all Material Premises together with all buildings and fixtures (including trade fixtures) on such Material Premises.

Continued on Addendum 4/4

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

Particulars as to commission allowance or discount (note 3)

Nil

Signed



Date 20/12/04

On behalf of ~~company~~ [mortgagee/chargee]<sup>†</sup>

A fee of £10 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 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

M395 Continuation

Company number

3674996

Name of company

\* insert full name  
of company

\* CORAL GROUP TRADING LIMITED (the "New Charging Company")

Addendum 1/4

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

Name of company

\* insert full name  
of company

\* CORAL GROUP TRADING LIMITED (the "New Charging Company")

Addendum 2/4

2. Amount due or owing on the mortgage or charge (continued)

In this form:

"Assigned Agreements" means the Hedging Agreements (as defined in the Senior Credit Agreement), the Sale and Purchase Agreement (as defined in the Senior Credit Agreement) and the Insurances;

"Book Debts" means all book and other debts arising in the ordinary course of trading;

"Cash Collateral Accounts" means each Cash Collateral Account as defined in the Senior Credit Agreement and the Mezzanine Loan Agreement;

"Charged Property" means the assets mortgaged, charged or assigned to the Security Agent by the Security Accession Deed;

"Charging Companies" means the Principal Borrower, each company listed in schedule 1 to the Debenture (upon its execution of a Security Deed of Accession) and each company (of which the New Charging Company is one) which grants security over its assets in favour of the Security Agent by executing a Security Deed of Accession;

"Collection Accounts" means the accounts of the New Charging Company set out in schedule 4 to the Security Accession Deed and/or such other accounts as the New Charging Company and the Security Agent shall agree or (following the occurrence of a Declared Default) as the Security Agent shall specify;

"Debenture" means the debenture dated 30 November 2004 between the Principal Borrower, the Charging Companies named therein and the Security Agent, as previously supplemented and amended by earlier Security Deeds of Accession (if any);

"Declared Default" means an Event of Default which has resulted in the Facility Agent exercising any of its rights under clause 21.2 (Cancellation and Repayment) of the Senior Credit Agreement or the Mezzanine Facility Agent exercising any of its rights under clause 19.2 (Cancellation and Repayment) of the Mezzanine Loan Agreement;

"Distribution Rights" means all dividends, distributions and other income paid or payable on an Investment or Subsidiary Share, together with all shares or other property derived from that Investment or Subsidiary Share and all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to that Investment or Subsidiary Share (whether by way of conversion, redemption, bonus, preference, option or otherwise);

"Event of Default" means an Event of Default as defined in each of the Senior Credit Agreement and the Mezzanine Loan Agreement;

"Facility Agent" means The Governor and Company of the Bank of Scotland in its capacity as facility agent for the Lenders (as defined in the Senior Credit Agreement) under the Finance Documents;

"Finance Documents" means the Finance Documents and the Mezzanine Finance Documents (each as defined in the Senior Credit Agreement);

"Floating Charge Asset" means an asset charged under clause 6 (Floating Charge) of the Security Accession Deed;

"Group" means the Principal Borrower and its Subsidiaries from time to time;

"Group Company" means a member of the Group;

Name of company

\* insert full name  
of company

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"Insurances" means all policies of insurance and all proceeds of them either as at 10 December 2004 or in the future held by, or written in favour of, the New Charging Company or in which it is otherwise interested, but excluding any third party liability or public liability insurance and any directors and officers insurance;

"Investment" means any stock, share, debenture, loan stock, security, interest in any investment fund and any other comparable investment (whether or not marketable) whether owned directly by or to the order of the New Charging Company or by any trustee, fiduciary or clearance system on its behalf (including, unless the context otherwise requires, the Subsidiary Shares);

"Material Intellectual Property" means the trademarks "Coral" and "Eurobet" and the domain names "eurobet.com", "coraleurobet.com", "coraleurobet.co.uk", "coral-eurobet.com", "coral-eurobet.co.uk", "coral.co.uk" and all other Intellectual Property (as such term is defined in the Senior Credit Agreement) which the Principal Borrower (acting in good faith) considers is material to the business of the Group (taken as a whole) from time to time;

"Material Premises" means those Premises listed in schedule 2 to the Debenture as set out in schedule 1 hereto;

"Mezzanine Facility Agent" means the Mezzanine Facility Agent as defined in the Mezzanine Loan Agreement;

"Mezzanine Finance Parties" means the Mezzanine Finance Parties as defined in the Mezzanine Loan Agreement;

"Mezzanine Lenders" means the Mezzanine Lenders as defined in the Mezzanine Loan Agreement;

"Mezzanine Loan Agreement" means the mezzanine loan agreement dated on or about the date of the Debenture and entered into between, among others, the Principal Borrower, the Security Agent and the Mezzanine Lenders under which the Mezzanine Lenders have made available a term loan facility up to a maximum amount of £200,000,000 to the Principal Borrower;

"New Vendor Loan Notes" means any floating rate loan notes issued (whether prior to the Signing Date (as defined in the Senior Credit Agreement) or not) by a member of the Group and held or to be held by a Permitted New Acquisition Vendor (as such term is defined in the Senior Credit Agreement) in consideration for the disposal of shares or assets under a Permitted New Acquisition (as defined in the Senior Credit Agreement);

"Nominated Accounts" means such account as the Security Agent may nominate;

"Obligors" means Obligors as defined in the Senior Credit Agreement and the Mezzanine Loan Agreement;

"Original Acquisition" means the acquisition of (among other things) the shares in Coral Eurobet Limited by Coral Eurobet 4 Limited;

"Other Debts" means the debts and claims identified in clause 3.1(c)(iv) (Fixed Charges) of the Debenture;

"Parent" means CE Acquisition 1 Limited (a company incorporated in England and Wales with registered number 5282218);

"Premises" means all freehold and leasehold property from time to time owned by the New Charging Company or in which the New Charging Company is otherwise interested, including any Material Premises;

"Principal Borrower" means CE Acquisition 2 Limited (a company incorporated in England and Wales with registered number 5282058)

"Secured Parties" means the Senior Finance Parties and the Mezzanine Finance Parties;

"Security Deed of Accession" means a deed executed by a Group Company substantially in the form set out in schedule 7 to the Debenture, with those amendments which the Security Agent may approve or reasonably require;

Company number

3674996

Name of company

\* insert full name  
of company

\* CORAL GROUP TRADING LIMITED (the "New Charging Company")

"Security Interest" means any mortgage, charge (fixed or floating), pledge, lien, hypothecation, right of set-off, security trust, assignment by way of security, reservation of title or other security interest or any other agreement or arrangement (including a sale and repurchase arrangement) having the commercial effect of conferring security;

"Senior Credit Agreement" means the senior credit agreement dated on or about the date of the Debenture and entered into between, among others, the Principal Borrower, the Security Agent and the Lenders (as defined therein) under which the Lenders have made available term and revolving facilities up to a maximum aggregate amount of £1,045,000,000 to certain members of the Group;

"Senior Finance Parties" means the Finance Parties as defined in the Senior Credit Agreement;

"Specified Documents" means the Finance Documents but excluding the Debenture, the Security Accession Deed and any Security Deed of Accession;

"Subsidiary Shares" means all shares owned by the New Charging Company in its Subsidiaries (other than George Brent, a private unlimited company) including those listed in schedule 3 to the Security Accession Deed as set out in schedule 2 hereto;

"Subsidiary" means a subsidiary and a subsidiary undertaking as defined in sections 736 and 258 of the Companies Act 1985 respectively; and

"Vendor Loan Notes" means the Sterling floating rate loan notes of Coral Eurobet 4 Limited initially held by certain persons in consideration for the disposal of certain of their shares and/or warrants in Coral Eurobet Limited (registered in England and Wales with company number 3688324) in connection with the Original Acquisition.

Company number

3674996

Name of company

\* insert full name  
of company

\* CORAL GROUP TRADING LIMITED (the "New Charging Company")

Addendum 3/4

3. Names, addresses and description of the mortgagees or persons entitled to the charge (continued)

Name of company

\* insert full name  
of company

\* CORAL GROUP TRADING LIMITED (the "New Charging Company")

## Addendum 4/4

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

## (b) by way of first equitable mortgage:

(i) all freehold and leasehold property not charged by way of legal mortgage under clause 5(a) of the Security Accession Deed, as set out in clause 2.1(a) above, together with all buildings and fixtures (including trade fixtures) on that property; and

(ii) (subject to clause 3.9 (Conversion of Equitable Mortgage into Legal Mortgage) of the Debenture, as set out in clause 2.6 below) all the Subsidiary Shares and Investments and all corresponding Distribution Rights;

## (c) by way of first fixed charge:

(i) all other interests (not charged under clauses 5(a) or 5(b) of the Security Accession Deed, as set out in clauses 2.1(a) and 2.1(b) above) in any freehold or leasehold property, the buildings and fixtures (including trade fixtures) on that property, all proceeds of sale derived therefrom and the benefit of all warranties and covenants given in respect thereof and all licences to enter upon or use land and the benefit of all other agreements relating to land;

(ii) all plant, machinery, vehicles, computers, office and other equipment and the benefit of all contracts, licences and warranties relating thereto;

(iii) all Book Debts and all rights and claims against third parties and against any security in respect of those Book Debts;

(iv) all debts and monetary claims (other than Book Debts) and all rights against third parties in respect of such debts and claims;

(v) subject to clause 8.4(b) (Collection of Book Debts and Other Debts) of the Debenture, all monies standing to the credit of any and all its accounts (including the Collection Accounts, the Cash Collateral Accounts and the Nominated Accounts but excluding any cash collateral account established for the purposes of receiving monies in connection with the Vendor Loan Notes or any New Vendor Loan Notes) with any bank, financial institution, or other person;

(vi) all its Material Intellectual Property;

(vii) the benefit of all consents and agreements held by it in connection with its business or the use of any of its assets;

(viii) its goodwill and uncalled capital; and

(ix) if not effectively assigned by clause 7 (Security Assignment) of the Security Accession Deed, as set out in clause 2.3 below, all its rights and interests in (and claims under) the Assigned Agreements.

## 2.2 Floating Charge

Subject to clause 3.10 (HSBC Mortgage) of the Debenture, as further continuing security for the payment of the Indebtedness, the New Charging Company has charged with full title guarantee in favour of the Security Agent (for the benefit of itself and the other Secured Parties) by way of first floating charge all its assets, both present and future, not effectively charged by way of first fixed charge under clause 5 (Fixed Charges) of the Security Accession Deed, as set out in clause 2.1 above, or assigned under clause 7 (Security Assignment) of the Security Accession Deed, as set out in clause 2.3 below, (but excluding any cash collateral account established for the purposes of receiving monies in connection with the Vendor Loan Notes or any New Vendor Loan Notes).

Name of company

\* insert full name  
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## 2.3 Security Assignment

As further continuing security for the payment of the Indebtedness, the New Charging Company has assigned (to the fullest extent capable of assignment) absolutely to the Security Agent all its rights, title and interest in the Assigned Agreements, provided that on payment or discharge in full of the Indebtedness, the Security Agent will at the request and cost of the New Charging Company re-assign the Assigned Agreements to the New Charging Company (or as it shall direct).

## 2.4 Conversion of Floating Charge

If:

(a) a Declared Default has occurred; or

(b) the Security Agent (acting reasonably) is of the view that any legal process or execution is being enforced against any Floating Charge Asset or that any Floating Charge Asset is in danger of being seized or otherwise in jeopardy,

the Security Agent may, by notice to the New Charging Company, convert the floating charge created under the Security Accession Deed into a fixed charge as regards those assets which it specifies in the notice. The New Charging Company shall promptly execute a fixed charge or legal assignment over those assets in the form which the Security Agent requires but on terms no more onerous than the Security Accession Deed.

## 2.5 Automatic Conversion of Floating Charge

If the New Charging Company creates (or purports to create) any Security Interest (except as permitted by the Senior Credit Agreement and the Mezzanine Loan Agreement or with the prior consent of the Security Agent) on or over any Floating Charge Asset without the prior consent in writing of the Security Agent, or if any third party levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset, the floating charge created under the Security Accession Deed will automatically (without notice) and immediately be converted into a fixed charge over the relevant Floating Charge Asset.

## 2.6 Conversion of Equitable Mortgage into Legal Mortgage

If:

(a) a Declared Default has occurred; or

(b) the Security Agent (acting reasonably) is of the view that any legal process or execution is being enforced against any Investment or that any Investment is in danger of being seized or otherwise in jeopardy, the Security Agent may, by notice to the New Charging Company, request that the New Charging Company converts the equitable mortgage created under clause 5 (Fixed Charges) of the Security Accession Deed, as set out in clause 2.1 above, into a legal mortgage as regards those Investments which the Security Agent specifies in the notice (the "Specified Investments"). The New Charging Company shall, at its own expense, promptly execute such deeds and other agreements and otherwise take whatever action the Security Agent may require (acting reasonably) in order to perfect and/or protect the security created (or intended to be created) pursuant to this clause over the Specified Investments.

Name of company

\* insert full name  
of company

\* CORAL GROUP TRADING LIMITED (the "New Charging Company")

### 3. FURTHER ASSURANCE

#### 3.1 General

(a) The New Charging Company will, at its own expense, promptly following request by the Security Agent (acting reasonably), execute such deeds and other agreements and otherwise take whatever action the Security Agent may require:

- (i) to perfect and/or protect the security created (or intended to be created) by the Security Accession Deed;
- (ii) following the occurrence of a Declared Default, to facilitate the realisation or enforcement of such security;
- (iii) to facilitate the exercise of any of the Security Agent's rights, powers or discretions which have at the relevant time arisen under the Security Accession Deed; and/or
- (iv) to confer on the Security Agent security over any assets of the New Charging Company (in whatever jurisdiction situated) equivalent or similar to the security intended to be conferred by the Security Accession Deed,

including (subject to the terms of the Debenture) the conversion of charges to assignments, equitable security to legal security, the execution of any transfer, conveyance, assignment or assurance whatsoever and the giving of all notices, orders, instructions and directions whatsoever.

(b) Any security document required to be executed by the New Charging Company under clause 5.1 of the Debenture as set out in this clause will contain clauses corresponding to the provisions set out in the Debenture.

### 4. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

The New Charging Company may not:

- (a) create or agree to create or permit to subsist any Security Interest over all or any part of the Charged Property;
- (b) sell, transfer, lease out or otherwise dispose of all or any part of the Charged Property (other than Floating Charge Assets on arm's length terms in the ordinary course of trading) or the right to receive or to be paid the proceeds arising on the disposal of the same; or
- (c) dispose of the equity of redemption in respect of all or any part of the Charged Property,

except as permitted by the Senior Credit Agreement and the Mezzanine Loan Agreement or with the prior consent of the Security Agent.

Name of company

\* insert full name  
of company

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## SCHEDULES.

## SCHEDULE 1

## Details of Material Premises

## Registered Land

## FREEHOLD

Charging Company	County and District (or London Borough)	Address or description	Title No:
Coral Group Trading Limited	Sussex	Brighton & Hove Stadium Nevill Road Hove Sussex	ESX77460

## SCHEDULE 2

## Subsidiary Shares

Charging Company	Subsidiary	No. and Class of Shares	Details of Nominees (if any) holding legal title to shares
Coral Group Trading Limited	Coral (Holdings) Limited	6,280,000 B preference shares of £0.05 each	
Coral Group Trading Limited	Coral (Holdings) Limited	20,000 ordinary shares of £0.05 each	
Coral Group Trading Limited	Coral Trustees Limited	1 ordinary share of of £1	
Coral Group Trading Limited	Eurobet Holdings Limited	2 ordinary shares of £1 each	
Coral Group Trading Limited	Coral Secretaries Limited	1 ordinary share of £1 each	
Coral Group Trading Limited	Coral Nominees Limited	2 ordinary shares of £1 each	

FILE COPY



## CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03674996

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SECURITY ACCESSION DEED DATED THE 10th DECEMBER 2004 AND CREATED BY CORAL GROUP TRADING LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM ANY CHARGING COMPANY OR ANY OTHER OBLIGOR TO ANY SECURED PARTY ON ANY ACCOUNT WHATSOEVER 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 21st DECEMBER 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24th DECEMBER 2004.



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES



*Companies House*

— for the record —