

M

CHFP025

Please do not
write in
this margin

Please complete
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

COMPANIES HOUSE

4021538

Name of company

* Springmede Limited, of SBC House, Edes Business Park, Restmor Way,
Wallington, Surrey, SM6 7AH (the "Company")

Date of creation of the charge

7 February 2001

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

A composite guarantee and debenture (the "Debenture") dated 7 February
2001 made between (inter alia) the Company and Sand Aire Investments PLC
(the "Lender")

Amount secured by the mortgage or charge

See Schedule 1 attached.

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

Sand Aire Investments PLC (Company number 1997122) whose registered
office is at 101 Wigmore Street, London (the "Lender")

Postcode W1H 9AB

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

Macfarlanes
10 Norwich Street
London
EC4A 1BD

For official Use
Mortgage Section

Post room



LD3
COMPANIES HOUSE

LKFDYBX

0137
20/02/01

Time critical reference
PWM\562858\1499951

Short particulars of all the property mortgaged or charged

As specified in Schedule 2 attached.

NB: The attached Schedule 2 describes restrictions on the Company which protect and further define the charges and which must be read as part of the charges created.

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

McFarlane

Date 19 February 2001

On behalf of ~~company~~ (mortgagee/chargee) †

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

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.
- 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 CF4 3UZ

**Schedules to the companies form 395
filed by Sand Aire Investments PLC (the "Lender")
in respect of charges granted to the Lender by Springmede Limited (the "Company")
in a composite guarantee and debenture (the "Debenture") dated 7 February 2001
and made by the Company, Levetas Limited,
Ede's (UK) Limited and EDIT (UK) Limited
(together the "Charging Companies" and each a "Charging Company")
in favour of the Lender**

**Schedule 1:
Amount secured by the mortgage or charge**

- 1 The Debenture secures all present and future moneys, obligations and liabilities owed by any Principal Debtor to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity whatsoever under or in connection with the Loan Stock Instrument (henceforth the "**Secured Liabilities**"; and references to the Secured Liabilities include references to any of them).
- 2 Defined terms used in this Schedule 1 shall have the meanings attributed to them in Schedule 4 (Definitions).

**Schedule 2:
Short particulars of the property mortgaged or charged**

- 1 As a continuing security for the payment or discharge of the Secured Liabilities, the Company with full title guarantee in the Debenture:-
 - 1.1 charged to the Lender, by way of legal mortgage, all Properties;
 - 1.2 charged to the Lender, by way of fixed charge, the Securities;
 - 1.3 charged to the Lender, by way of fixed charge:-
 - 1.3.1 all freehold and leasehold properties thereafter acquired by it;
 - 1.3.2 all its present and future interests (not effectively mortgaged or charged under the provisions referred to in paragraphs 1.1 and 1.3.1 above) in or over freehold or leasehold property;
 - 1.3.3 all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties;
 - 1.3.4 all its present and future goodwill and all its uncalled capital for the time being;
 - 1.3.5 the Equipment;
 - 1.3.6 all Intellectual Property;
 - 1.3.7 the Debts;

- 1.3.8 any monies standing to the credit of any Designated Account; and
- 1.3.9 (subject to the provisions referred to in paragraph 3 below and following the making of any directions pursuant to the provisions referred to in paragraph 6.2 below) the Proceeds of Debts;
- 1.4 assigned to the Lender all its right, title and interest to and in and in claims under any present or future policies of insurances or assurance (including, without limitation, any insurances relating to the Properties or the Equipment) and charged to the Lender any proceeds thereof;
- 1.5 assigned to the Lender to the extent the same are assignable:-
- 1.5.1 the benefit of any agreements to which it is party and the benefit of any guarantee or security for the performance of such agreements;
- 1.5.2 the benefit of all licences, consents and authorisations held by it and the right to recover or receive any sum of money pursuant to them; and
- 1.6 charged to the Lender, by way of floating charge, all its undertaking, property, assets and rights at any time not otherwise effectively mortgaged, charged or assigned pursuant to the provisions referred to in paragraphs 1.1 to 1.5 (inclusive) above.
- 2 The Debenture provides that the Lender may at any time and from time to time by written notice to the Company convert the floating charge created under the provisions referred to in paragraph 1.6 above into a fixed charge as regards any part of the Charged Property if the Lender considers (in its sole discretion) that such part of the Charged Property of the Company, or the Lender's security interest in it, is or may be in danger of being seized or subjected to any distress or execution or otherwise in jeopardy. In addition (and without prejudice to any other circumstances in which such floating charge may crystallise) such floating charge shall automatically and immediately be converted into a fixed charge as regards any part of the Charged Property if the Company creates or attempts to create an Encumbrance other than a Permitted Encumbrance in favour of another person over such part of the Charged Property or disposes or attempts to dispose of such part of the Charged Property otherwise than by way of sale in the ordinary course of the Company's business.
- 3 The Debenture provides that in the absence of any directions from the Lender pursuant to the provisions referred to in paragraph 6.2 below, the Proceeds of Debts shall stand released from the fixed charge created by the provisions referred to in paragraph 1.3.9 above and shall stand subject to the floating charge created by the provisions referred to in paragraph 1.6 above (but subject always to the provisions referred to in paragraph 2 above). Any such release shall in no respects derogate from the subsistence and continuance of the fixed charge created hereby on all the other assets charged pursuant to the provisions referred to in paragraph 1.3 above (including the Debts).
- 4 The Company covenanted with the Lender that it would not at any time during the subsistence of the Debenture, except with the prior written consent of the Lender:-

- 4.1 create or purport to create or permit to subsist any Encumbrance other than a Permitted Encumbrance on or in relation to the Charged Property other than the Debenture; or
- 4.2 sell, assign, transfer, lease, share occupation of or otherwise dispose of any or all of the Charged Property or of the equity of redemption of any such Charged Property or any interest in any such Charged Property, except (in the case of Charged Property charged by way of floating charge only) in the ordinary course of the Company's business and for the purpose of carrying on that business.
- 5 The Company covenanted that it would not except with the prior written consent of the Lender release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Debts save as expressly provided in the provisions referred to in paragraph 6 below.
- 6 The Company covenanted that it would:-
- 6.1 get in and realise the Debts in the ordinary course of its business (which would not extend to selling or assigning or in any other way factoring or discounting them);
- 6.2 pay into such account as the Lender might from time to time specify all the Proceeds of Debts forthwith upon receipt and thereafter pay or otherwise deal with (or refrain from paying or dealing with) such Proceeds of Debts in accordance with any directions given by the Lender from time to time in writing; and
- 6.3 if called upon so to do by the Lender, execute a legal assignment of the Debts to the Lender in such terms as the Lender might require and give such notice thereof to the debtors from whom the Debts are due, owing or incurred.
- 7 Defined terms used in this Schedule 2 shall have the meanings attributed to them in Schedule 4 (Definitions).

Schedule 3:
Properties owned at the date of the Debenture

Part A: Registered Land

Part B: Unregistered Land

Schedule 4: Definitions

1 In these Schedules the following words and expressions shall have the meanings respectively set out against them below:-

Bank: the Royal Bank of Scotland plc;

Borrower: Levetas Limited;

Charged Property: all the property, assets, undertaking and rights for the time being subject to the security interests created by the Debenture (and references to the Charged Property include references to any part of it);

Debts: all book debts, other debts, receivables and liabilities of any kind whatsoever on the date of the Debenture or at any time thereafter (and from time to time) due, owing or payable to the Company, including the benefit of any judgement or order to pay a sum of money, and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to any of the same and all cash deposits in any account of the Company with any person and all bills of exchange, promissory notes and other negotiable instruments for the time being owned or held by the Company, but excluding the Proceeds of Debts;

Designated Account: any account with the Bank or any account with any other bank which has been notified of the Lender's interest in such account and has agreed in writing not to permit withdrawals from such account except with the written consent of the Lender;

Encumbrance: any mortgage, charge, pledge, lien, assignment by way of security, hypothecation or any other type of security interest or encumbrance or agreement or arrangement having the effect of conferring security;

Equipment: all equipment, plant, machinery, tools, vehicles, furniture and other tangible moveable property at the date of the Debenture or at any time thereafter (and from time to time) owned by the Company, and any part thereof, together with all spare parts, replacements, modifications and additions thereto;

Equity Investors: means Sand Aire Investments PLC, Anthony Smith and Ralph Kanter;

Intellectual Property: any present or future rights or interests of the Company in respect of any patent, trademark, service mark, trade name, registered design, design rights, copyrights, know-how and any other rights in intellectual property whether registered or unregistered and any registration or application for registration including all present and future fees, royalties and other income or rights derived therefrom or incidental thereto and including the benefit of all present and future agreements relating to the use of a licensing or exploitation of any such rights;

Loan Stock Instrument: means the instrument constituting the £4,370,597 of "A" secured loan stock issued by the Borrower dated the date of the Debenture;

Permitted Encumbrance: means the debenture created by each Charging Company in favour of the Bank and the Equity Investors (save for the Lender) dated on or about the date of the Debenture;

Principal Debtor:

- (a) any Charging Company; and
- (b) any future subsidiary of the Borrower, to the extent only that it owes or incurs any Secured Liabilities to the Lender;

Proceeds of Debts: any cash and any amounts from time to time standing to the credit of any bank (or other) account of the Company, deriving from the payment or collection of any Debts;

Properties: all freehold and leasehold properties at the date of the Debenture or at any time thereafter (and from time to time) owned by the Company (including (but not limited to) the properties which are briefly described in Schedule 3);

Secured Liabilities: the monies, obligations and liabilities referred to in paragraph 1 of Schedule 1; and

Securities: all stocks, shares, loan capital, securities, bonds and investments of any kind whatsoever (whether or not marketable) at the date of the Debenture or at any time thereafter (and from time to time) owned (at law or in equity) by the Company, together with all allotments offered or arising in respect thereof or incidental thereto and all stocks, shares, loan capital, securities, bonds, investments, rights, money or property accruing, deriving, offered or paid from time to time by way of dividend, distribution, interest, exchange, capital reorganisation, conversion, redemption, bonus, rights, preference, option or otherwise in respect thereof.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04021538

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A COMPOSITE GUARANTEE AND DEBENTURE DATED THE 7th FEBRUARY 2001 AND CREATED BY SPRINGMEDE LIMITED FOR SECURING ALL PRESENT AND FUTURE OBLIGATIONS AND LIABILITIES DUE OR TO BECOME DUE FROM ANY PRINCIPAL DEBTOR (AS DEFINED) TO SAND AIRE INVESTMENTS PLC UNDER OR IN CONNECTION WITH THE LOAN STOCK INSTRUMENT (AS DEFINED) AND ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 20th FEBRUARY 2001.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 22nd FEBRUARY 2001.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —

Handwritten signature/initials