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COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

CHFP025

Please do not
write in
this margin

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

*insert full name
of Company

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

13

04413822

Name of company

* NWP STREET LIMITED (the "Company")

Date of creation of the charge

18 JUNE 2004

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

GUARANTEE AND DEBENTURE (the "Guarantee and Debenture")

Amount secured by the mortgage or charge

All monies which are now or at any time hereafter shall have become due or owing by any Group Company to Investec Bank (UK) Limited ("the Bank") pursuant to the terms of a facility letter between the Company and the Bank dated 18 June 2004 and the Junior Security Documents (the "Financing Documents"). Where:
"Group Company" means Coterie Investments Limited and each of its Subsidiaries.

"Subsidiary" means a subsidiary within Section 736 Companies Act 1985.

"Junior Security Documents" means: (a) the Guarantee and Debenture, (b) a guarantee and debenture granted by NWP Spectrum Holdings Limited ("Newco") in favour of the Bank dated 18 June 2004, (c) a guarantee and debenture granted by NWP Spectrum Limited ("Spectrum") in favour of the Bank dated 18 June 2004, (d) a guarantee and debenture granted by NWP Street Limited ("Street") in favour of the Bank dated 18 June 2004.

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

Investec Bank (UK) Limited
2 Gresham Street
London

Postcode EC2V 7QP

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

Eversheds LLP
1 Callaghan Square
Cardiff
CF10 5BT

2/PDV/CXH/756 #1040663

Time critical reference

For official Use
Mortgage Section

Post room



A03
COMPANIES HOUSE

0596
26/05/04

Short particulars of all the property mortgaged or charged

The Company with full title guarantee hereby charges in favour of the Bank:

(a) by way of legal mortgage all estates or interests in the freehold, leasehold and other immovable property described in Schedule 2 of the Guarantee and Debenture and the proceeds of sale thereof and all buildings and trade and other fixtures on any such property belonging to or charged to the Company from time to time ("the Legally Mortgaged Property");

(b) by way of fixed charge all estates or interests in any freehold, leasehold and other immovable property now or at any time during the continuance of this security belonging to the Company (other than the Legally Mortgaged Property) and the proceeds of sale thereof and all buildings and trade and other fixtures from time to time on any such property belonging to or charged to the Company;

(c) by way of fixed charge all plant, machinery, vehicles, computers and office and other equipment owned by the Company both present and future;

(d) by way of fixed charge all present and future book and other debts and monetary claims now or at any time hereafter due or owing to the Company and all moneys which the Company receives in respect thereof together with all rights relating thereto including any security and remedies therefor;

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

Particulars as to commission allowance or discount (note 3)

N/A

Signed Eversheds LLP

Date 25 JUNE 2004

On behalf of [XXXXXX] [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 CF14 3UZ

(e) by way of fixed charge all balances standing to the credit of any current, deposit or other account of the Company with the Bank (including, inter alia, any account designated a realisations account for the proceeds of disposals of any of the assets of the Company) or with other bankers, financial institutions or similar third parties;

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

(f) by way of fixed charge all stocks, shares, debentures, bonds, notes and loan capital of:

- (i) any Subsidiary; and
- (ii) any other body corporate;

and all rights to subscribe for, redeem, convert other securities into or otherwise acquire any of the same which may now or hereafter belong to the Company, together with all dividends, interest and other income and all other rights of whatsoever kind deriving from or incidental to any of the foregoing;

(g) by way of fixed charge the goodwill of the Company and its uncalled capital now or at any time hereafter in existence;

(h) by way of fixed charge all copyrights, patents, patent applications, licences, trade marks, tradenames, know-how and inventions or other rights of every kind deriving therefrom now or at any time hereafter belonging to the Company and all fees, royalties and other rights of every kind deriving from such copyrights, patents, trade marks, tradenames, know-how and inventions; and

(i) by way of floating charge the whole of the Company's undertaking and all its property, assets and rights, whatsoever and wheresoever, present and future, other than any property or assets from time to time or for the time being effectively mortgaged, assigned or charged to the Bank by way of fixed charge in the Guarantee and the Debenture (hereinafter collectively referred to as the "Floating Charge Property").

The Company hereby covenants that without the prior written consent of the Bank it shall not nor shall it agree or purport to:

(a) create or permit to subsist any Encumbrance (other than a Permitted Encumbrance) whether in any such case ranking in priority to or pari passu with or after the security created by the Guarantee and Debenture save to the extent permitted or required under a senior loan agreement between the Company and the Bank dated 31 May 2002 (the "Senior Loan Agreement"); or

(b) sell, discount, factor, transfer, lease, lend or otherwise dispose of, whether by means of one or a number of transactions related or not and whether at one time or over a period of time, the whole or any part of its undertaking or assets except:

- (i) as permitted under the Senior Loan Agreement; or
- (ii) Floating Charge Property in the ordinary course of trading by the Company and on arm's length terms.

Where:

"Encumbrance" means any mortgage, charge, assignment by way of security, pledge, hypothecation, lien, right of set-off, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same, or any agreement to sell or otherwise dispose of any asset on terms whereby such asset is or may be leased to or re-acquired or acquired by any Group Company.

COMPANIES FORM No. 395 (Cont.)

**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 2

Company Number

04413822

Name of Company

NWP STREET LIMITED (THE ``COMPANY'')

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

"Permitted Encumbrance" means:

- (a) any Encumbrance created under the Financing Documents;
- (b) any right of set-off or lien, in each case arising by operation of law in the ordinary course of its trading activities;
- (c) any retention of title to goods supplied to a Group Company in the ordinary course of its trading activities;
- (d) any right of set-off over credit balances on bank accounts of Group Companies with the Bank;
- (e) any agreement entered into by a Group Company in the ordinary course of its trading activities to sell or otherwise dispose of any asset on terms whereby that asset is or may be leased to or re-acquired or acquired by a Group Company; and
- (f) any Encumbrance over an asset of a company which becomes a Subsidiary of Newco (other than by reason of its incorporation) after the date of this Agreement, being an Encumbrance which is in existence at the time at which that company becomes a Subsidiary but only if;
 - (i) that Encumbrance was not created in contemplation of that company becoming a Subsidiary;
 - (ii) the principal amount secured by that Encumbrance has not been and shall not be increased; and
 - (iii) that Encumbrance is discharged within 3 months of the date on which that company becomes a Subsidiary;
- (g) any Encumbrance over an asset acquired by a Group Company after the date of this Agreement and subject to which that asset is acquired but only if;
 - (i) that Encumbrance was not created in contemplation of its acquisition by that company;
 - (ii) the amount secured by the Encumbrance has not been increased in contemplation of, or since the date of, its acquisition by that company, and

(iii) that Encumbrance is discharged within 3 months of the date of its acquisition by that company;

(h) any Encumbrance not otherwise permitted pursuant to paragraphs (a) to (g) above (inclusive) in respect of any assets not exceeding, in aggregate, £50,000 in value;

(i) the Subordinated Security; and

(j) the Debenture dated 18 September 1997 granted by Payphones in favour of the Bank.

Where:

"Subordinated Security" means any security entered into by a Group Company in relation to the Loan Stock or the Mezzanine Loan Agreement entered into on or about the Amendment Date and listed in Schedule 7 to an Intercreditor Agreement dated 18 June 2004.

"Loan Stock" means the £3,000,000 secured 15 per cent. loan stock due 2009 of the Company.

"Mezzanine Loan" means the principal amount outstanding under the Mezzanine Loan Agreement.

"Mezzanine Loan Agreement" means the mezzanine loan agreement made or to be made between the Company and the Bank on or about the Amendment Date.

"Amendment Date" means the date of the Amendment Agreement

"Amendment Agreement" means the amendment and restatement agreement dated 18 June 2004 made between the Company, Newco, Street, Spectrum, NWP Spektrum GmbH and the Governor and Company of the Bank of Scotland.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04413822

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT GUARANTEE & DEBENTURE DATED THE 18th JUNE 2004 AND CREATED BY NWP STREET LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE BY ANY GROUP COMPANY TO INVESTEC BANK (UK) LIMITED 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 26th JUNE 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 30th JUNE 2004.

GRH
P



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES