

MG01

Particulars of a mortgage or charge

1148925/156



iris
LASERFORM

SATURDAY



P19G5DZW

PC1

10/10/2009

1032

COMPANIES HOUSE

A fee is payable with this form.

We will not accept this form unless you send the correct fee.

Please see 'How to pay' on the last page.



What this form is for

You may use this form to register particulars of a mortgage or charge in England and Wales or Northern Ireland.



What this form is NOT for

You cannot use this form to register particulars of a charge for a Scottish company. To do this, please use form MG01s.

For further information, please refer to our guidance at www.companieshouse.gov.uk

1

Company details

Company number

4 5 1 3 0 8 3

Company name in full

Direct Group Holdings Limited (Chargor)

5

For official use

Filing in this form

Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

2

Date of creation of charge

Date of creation

d0 d1 m1 m0 y2 y0 y9

3

Description

Please give a description of the instrument (if any) creating or evidencing the charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'.

Description

A debenture between, amongst others, the Chargor and the Security Trustee (defined in section 5 below) (Debenture)

4

Amount secured

Please give us details of the amount secured by the mortgage or charge.

Amount secured

All monies and liabilities on or after the date of the Debenture due, owing or incurred by the Chargor to the Finance Parties (or any of them) under the Finance Documents (or any of them) in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by any Finance Party under any Finance Document, except for any obligation which, if it were included in the Debenture, would constitute unlawful financial assistance, or its equivalent in any other jurisdiction (Secured Obligations)

Continuation page

Please use a continuation page if you need to enter more details.

MG01

Particulars of a mortgage or charge

5 Mortgagee(s) or person(s) entitled to the charge (if any)

Please give the name and address of the mortgagee(s) or person(s) entitled to the charge.

Continuation page

Please use a continuation page if you need to enter more details.

Name Lloyds TSB Bank plc (Security Trustee)

Address 25 Gresham Street

London

Postcode E C 2 V 7 H N

Name

Address

Postcode

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged.

Continuation page

Please use a continuation page if you need to enter more details.

Short particulars

1 Charging provisions**1.1 General**

All Security created by the Chargor under clauses 3.2 to 3.5 inclusive of the Debenture (reproduced as paragraphs 1.2 to 1.5 inclusive below) is:

- (a) a continuing security for the payment and discharge of the Secured Obligations;
- (b) granted with full title guarantee;
- (c) granted in respect of all the right, title and interest (if any), present and future, of the Chargor in and to the relevant Secured Asset; and
- (d) granted in favour of the Security Trustee as security trustee for the Finance Parties.

1.2 First legal mortgages

The Chargor charged by way of first legal mortgage:

- (a) the Properties;
- (b) all other interests and estates in freehold, leasehold or commonhold property, and, in each case, all Premises and Fixtures on such property for the time being.

MG01

Particulars of a mortgage or charge

7

Particulars as to commission, allowance or discount (if any)

Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his:

- subscribing or agreeing to subscribe, whether absolutely or conditionally, or
- procuring or agreeing to procure subscriptions, whether absolute or conditional,

for any debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.

Commission allowance or discount

Nil

8

Delivery of instrument

You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860). If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 866).

We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 870). The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it. Where a body corporate gives the verification, an officer of that body must sign it. We will also accept a verified copy where section 867(2) applies (property situated in another part of UK).

9

Signature

Please sign the form here.

Signature

Signature

X Addleshaw Goddard LLP

X

This form must be signed by a person with an interest in the registration of the charge.

MG01

Particulars of a mortgage or charge



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form and will establish where we return the original documents. The contact information you give will be visible to searchers of the public record.

Contact name Sarah Thompson

Company name Addleshaw Goddard LLP

Address 100 Barbirolli Square

Manchester

Post town

County/Region

Postcode M 2 3 A B

Country

DX 14301 Manchester

Telephone 0161 934 6210



Certificate

We will send your certificate to the presenter's address if given above or to the Company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included the original deed with this form.
- ☐ You have entered the date the charge was created.
- ☐ You have supplied the description of the instrument.
- ☐ You have given details of the amount secured by the mortgagee or chargee.
- ☐ You have given details of the mortgagee(s) or person(s) entitled to the charge.
- ☐ You have entered the short particulars of all the property mortgaged or charged.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge.

Make cheques or postal orders payable to 'Companies House.'



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,
First Floor, Waterfront Plaza, 8 Laganbank Road,
Belfast, Northern Ireland, BT1 3BS.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

MG01 - continuation page

Particulars of a mortgage or charge

4	Amount secured	
	Please give us details of the amount secured by the mortgage or charge.	
Amount secured	<p>In this form, the following terms shall have the following meanings:</p> <p>Finance Documents means the Senior Finance Documents and the Mezzanine Finance Documents</p> <p>Finance Parties means the Lender as defined in the Senior Facilities Agreement, the Lender as defined in the Mezzanine Facility Agreement and the Security Trustee</p> <p>Mezzanine Facility Agreement means the mezzanine facility agreement between Direct Newco Limited (Newco) as borrower, the Chargor and others as original guarantors and Lloyds TSB Bank plc (Lloyds) as lender and dated on or about the date of the Debenture</p> <p>Mezzanine Finance Documents means the Mezzanine Facility Agreement, any Accession Deed, any Ancillary Document, any Fee Letter, any Hedging Agreement, the Intercreditor Deed, any Selection Notice, any Security Document, the Warrant Documents, the Utilisation Request, the Counter Indemnity and any other document designated as a Finance Document by the Security Trustee and the Company (each Mezzanine Finance Document has the meaning given to it in the Mezzanine Facility Agreement)</p> <p>Senior Facilities Agreement means the senior facilities agreement between Newco as borrower, the Chargor and others as original guarantors and Lloyds as lender and dated on or about the date of the Debenture</p> <p>Senior Finance Documents means the Senior Facilities Agreement, any Accession Deed, any Ancillary Document, any Fee Letter, any Hedging Agreement, the Intercreditor Deed, any Selection Notice, any Security Document, any Utilisation Request, the Counter Indemnity and any other document designated as a Finance Document by the Security Trustee and the Company (each Senior Finance Document has the meaning given to it in the Senior Facilities Agreement)</p>	

MG01 - continuation page

Particulars of a mortgage or charge

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged.

Short particulars

1.3 Assignments

- (a) The Chargor assigned:
 - (i) the Key-man Policies to which it is a party;
 - (ii) the Relevant Agreements to which it is a party; and
 - (iii) the Relevant Policies to which it is a party.
- (b) The Chargor shall remain liable to perform all its obligations under the Key-man Policies, the Relevant Agreements and the Relevant Policies to which it is a party.
- (c) Notwithstanding the other terms of clause 3.3 of the Debenture (reproduced as paragraph 1.3 on this form), prior to the occurrence of an Event of Default which is continuing, the Chargor may, subject to the other terms of the Finance Documents, continue to exercise all and any of its rights under and in connection with the Relevant Agreements.

1.4 First fixed charges

The Chargor charged by first fixed charge:

- (a) all other interests and estates in any freehold, leasehold or commonhold property;
- (b) the proceeds of sale of its Secured Property and all licences to enter on or use any Secured Property;
- (c) the benefit of all other agreements, instruments and rights relating to its Secured Property;
- (d) all plant, machinery, vehicles, computers, office and other equipment, all furniture, furnishings, equipment and tools and any removals or replacement of them, (together **Chattels**) present and future and the benefit of all contracts, licences, warranties, maintenance contracts relating to them and any renewals and replacements of them;
- (e) the Subsidiary Shares together with all Related Rights;
- (f) the Investments together with all Related Rights;

MG01 - continuation page

Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged.	
Short particulars	<p>(g) all book and other debts due to the relevant Chargor and their proceeds (both collected and uncollected) (together Debts) and all rights, guarantees, security or other collateral in respect of the Debts (or any of them) and the benefit of any judgment or order to pay a sum of money and all rights to enforce the Debts (or any of them);</p> <p>(h) all monies from time to time standing to the credit of each Blocked Account;</p> <p>(i) all monies (other than any monies held on trust by the Chargor for any other party other than another Chargor) from time to time standing to the credit of each account held by the Chargor with any bank, building society, financial institution or other person other than:</p> <p style="padding-left: 40px;">(i) any Blocked Account and;</p> <p style="padding-left: 40px;">(ii) any account which sole purpose is to only hold monies on trust by the relevant Chargor for any other party, other than another Chargor,</p> <p style="padding-left: 40px;">(each an Account);</p> <p>(j) all its Intellectual Property;</p> <p>(k) all its goodwill and uncalled capital;</p> <p>(l) the benefit of all Authorisations held or utilised by it in connection with its business or the use of any of its assets and the right to recover and receive compensation payable in respect of any of them; and</p> <p>(m) to the extent that any legal mortgage in clause 3.2 of the Debenture (reproduced as paragraph 1.2 above) or any assignment in clause 3.3 of the Debenture (reproduced as paragraph 1.3 above) is ineffective as a legal mortgage or an assignment (as applicable), the assets referred to in that clause of the Debenture.</p> <p>1.5 Floating charge</p> <p>The Chargor charged by way of first floating charge all its assets and undertaking wherever located both present and future other than any assets effectively charged by way of legal mortgage or fixed charge or assigned under clauses 3.2, 3.3 or 3.4 of the Debenture (reproduced as paragraphs 1.2, 1.3 and 1.4 above)</p>	

MG01 - continuation page

Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged.	
Short particulars	<p>1.6 Conversion of floating charge to a fixed charge</p> <p>The Security Trustee may at any time by notice in writing to any Chargor convert the floating charge created under clause 3.5 of the Debenture (reproduced as paragraph 1.5 above) into a fixed charge as regards any Floating Charge Asset as it shall specify in the notice if:</p> <ul style="list-style-type: none"> (a) an Event of Default is continuing; or (b) in the opinion of the Instructing Party that Floating Charge Asset is in danger of being seized or any legal process or execution is being enforced against that Floating Charge Asset. <p>1.7 Automatic conversion of floating charge to a fixed charge</p> <p>If (unless permitted in writing by the Security Trustee or expressly permitted under the terms of the Mezzanine Finance Documents and, if prior to the Senior Discharge Date, the Senior Finance Documents):</p> <ul style="list-style-type: none"> (a) the Chargor creates or attempts to create any Security over any of its Floating Charge Assets (other than Permitted Security); (b) any person levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset; or (c) any corporate action, legal proceedings or other procedures or steps are taken for the winding up, dissolution, administration or reorganisation of the Chargor, <p>the floating charge created by this Deed will automatically and immediately without notice be converted into a fixed charge over the relevant assets or, in the circumstances described in clause 3.8(c) of the Debenture (reproduced as paragraph 1.8(c)), over all of the Floating Charge Assets.</p> <p>2 Negative pledge</p> <p>2.1 The Chargor shall not create or permit to subsist any Security over any of its assets.</p> <p>2.2 The Chargor shall not:</p> <ul style="list-style-type: none"> (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by another Chargor or any other member of the Group (as defined in each of the Senior Facilities Agreement and the Mezzanine Facility Agreement); 	

MG01 - continuation page

Particulars of a mortgage or charge

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged.

Short particulars

(b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

(c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

(d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness (as defined in each of the Senior Facilities Agreement and the Mezzanine Facility Agreement) or of financing the acquisition of an asset.

2.3 Clauses 5.1 and 5.2 of the Debenture (reproduced as paragraphs 2.1 and 2.2 above) do not apply to any Security or arrangement which is Permitted Security under (and as defined in) the Mezzanine Facility Agreement and, if prior to the Senior Discharge Date, under (and as defined in) the Senior Facilities Agreement.

3 Restrictions on disposals

3.1 The Chargor shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any Secured Assets.

3.2 Clause 3.1 does not apply to any transaction which is a Permitted Disposal under (and as defined in) the Mezzanine Facility Agreement and, if prior to the Senior Discharge Date, under (and as defined in) the Senior Facilities Agreement.

In this form, the following terms shall have the following meanings:

Authorisation means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration, or any other similar permission

Blocked Account means each Mandatory Prepayment Account and each Holding Account (as each such term is defined in each of the Senior Facilities Agreement and the Mezzanine Facility Agreement)

Event of Default means an Event of Default as defined in the Senior Facilities Agreement or an Event of Default as defined in the Mezzanine Facility Agreement

Fixtures means in respect of any Secured Property, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or at any time after the date of the Debenture on that Secured Property

MG01 - continuation page

Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged.	
Short particulars	<p>Floating Charge Assets means all assets and undertaking of the Chargor from time to time subject to the floating charge created under clause 3.5 of the Debenture (reproduced as paragraph 1.5 below)</p> <p>Instructing Party has the meaning given to it in the Intercreditor Deed</p> <p>Insurance Policies means, in respect of the Chargor, all policies of insurance present and future in which it has an interest</p> <p>Intellectual Property means:</p> <ul style="list-style-type: none"> (a) any patents, domain names, trade marks, service marks, designs, business names, copyrights, database rights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered, and (b) the benefit of all applications and rights to use such assets of each member of the Group (which may now or in the future subsist) (as defined in the Facilities Agreements) <p>Intercreditor Deed has the meaning given to it in each of the Senior Facilities Agreement and the Mezzanine Facility Agreement</p> <p>Investments means any shares, stocks, debenture security, securities, bonds and investments of any type (other than the Subsidiary Shares) whatever, including but not limited to, negotiable instruments, certificates of deposit, eligible debt securities, interests in collective investment schemes, or other investments referred to in section 22 of, and as defined in Part II of Schedule 2 to, the Financial Services and Markets Act 2000 and Part III of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, whether certificated or uncertificated, physical or dematerialised, registered or unregistered, held by the Chargor or by a trustee or clearance system or nominee</p> <p>Key-man Policies means the policies of insurance described in schedule 4 to the Debenture of which there are none and all insurance policies in respect of the life, disability or critical illness of a member of Management (as defined in each of the Senior Facilities Agreement and the Mezzanine Facility Agreement) put on risk after the date of the Debenture and in respect of which the Chargor is the insured party, together with all monies payable in respect of those policies</p> <p>Permitted Security has the meaning given to it in each of the Senior Facilities Agreement and the Mezzanine Facility Agreement)</p> <p>Premises means any building on a Secured Property</p>	

MG01 - continuation page

Particulars of a mortgage or charge

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged.

Short particulars

Properties mean the properties listed in schedule 2 to the Debenture (of which there are none)

Related Rights means, in respect of any Investment or Subsidiary Share:

- (a) all monies paid or payable in respect of that Investment or Subsidiary Share (whether as income, capital or otherwise)
- (b) all shares, investments or other assets derived from that Investment or Subsidiary Share and
- (c) all rights derived from or incidental to that Investment or Subsidiary Share

Relevant Agreement means:

- (a) each Hedging Agreement and
- (b) each other agreement designated as a Relevant Agreement by the Security Trustee and the Chargor in writing,

(as each such term is defined in the Senior Facilities Agreement and the Mezzanine Facility Agreement)

Relevant Policies means all Insurance Policies (other than Key-man Policies and policies in respect of third party liability) together with all monies payable in respect of those policies

Secured Assets means, in respect of the Chargor, all of its assets and undertaking the subject of any Security created by, under or supplemental to, the Debenture in favour of the Security Trustee

Secured Property means at any time the Properties and all other freehold, leasehold or commonhold property which is subject to any Security created by, under or supplemental to the Debenture

Security means a mortgage charge, pledge, lien, assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

Senior Discharge Date has the meaning given to it in the Intercreditor Deed

Subsidiary means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006

MG01 - continuation page

Particulars of a mortgage or charge

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged.

Short particulars

Subsidiary Shares means, in respect of the Chargor, all shares present and future held by it in its Subsidiaries (including those listed in schedule 3 to the Debenture (reproduced as schedule 2 to this form))

Schedule 2

Subsidiary Shares

Chargor	Name and registered number of Subsidiary	Number and class of shares
Direct Group Holdings Limited	Direct Group Limited (Company No. 2461657)	1,000,000 Ordinary Shares



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 869(5) & (6) of the Companies Act 2006

**COMPANY NO. 4513083
CHARGE NO. 5**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEBENTURE DATED 1 OCTOBER
2009 AND CREATED BY DIRECT GROUP HOLDINGS LIMITED
FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM
THE COMPANY TO THE FINANCE PARTIES (OR ANY OF THEM)
ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE
AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING
THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1
PART 25 OF THE COMPANIES ACT 2006 ON THE 10 OCTOBER
2009

GIVEN AT COMPANIES HOUSE, CARDIFF THE 12 OCTOBER
2009



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES