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COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

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

[] [] [] [] [] [] [] [] [] []

4546827

Name of company

* The Music Group International Limited (the "Company")

Date of creation of the charge

28 February 2003

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

Mortgage Debenture (the "Mortgage Debenture")

Amount secured by the mortgage or charge

Please see RIDER 1

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

The Royal Bank of Scotland plc, Corporate & Structured Finance, 280
Bishopsgate, London

Postcode EC2M 4RB

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

CMS Cameron McKenna
Mitre House
160 Aldersgate Street
London
EC1A 4DD

ETI/009717.01193.20581334

Time critical reference

For official Use
Mortgage Section

Post room



LD5
COMPANIES HOUSE

0129
14/03/03

CHFP025

Please do not
write in
this margin

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

*insert full name
of Company

Please return via
CH London Counter

Please see Rider 2

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 CMS Cameron McKenna Date 13th March 2003

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

Company The Music Group International Limited
Company No: 4546827

RIDER 1

Amount secured by the mortgage or charge

1. All indebtedness and monies and the discharge of all obligations and liabilities whatsoever, in whatever currency denominated, whether actual or contingent, present or future, which was then or may thereafter be due, owing or incurred by it to the Banks, or any of them, under the Facilities Agreement or Mortgage Debenture or hereunder and whether on any current or other account whether alone or jointly and whether as principal or surety.
2. All costs (including legal costs), charges, expenses and damages sustained or incurred by the Banks, or any of them, in connection with the enforcement, defence or protection of the security constituted by the Mortgage Debenture or the appointment of any Receiver, delegate or sub-delegate under the Mortgage Debenture or the pursuit of any rights contained in the Mortgage Debenture or under the Facilities Agreement, the Mortgage Debenture or the Charged Property (as defined in Rider 2 of this Form M395) in each case on a full indemnity basis, unless such costs, charges, damages or expenses are caused by the Banks' fraud, wilful default or breach of duty.
3. Such of the Obligations, which have become due and payable but have not been paid, (except such Obligations as are incurred by an Obligor to the extent that it is Guarantor of the Company concerned) as shall not have been paid, performed or discharged at the time such demand is made.
4. All and any costs (including legal costs), charges, losses, expenses and damages incurred by the Banks, or any of them as a result of any failure by such Obligor to carry out any such Obligations or as a result of any of the Obligations being or becoming void, voidable, unenforceable or ineffective for any reason whatsoever, the amount of such loss being the amount which the Banks would otherwise have been entitled to recover from the relevant Obligors.
5. Interest on and in respect of any amounts due under the foregoing (if interest is not already accruing in respect of any such sums under the Facilities Agreement) from day to day until full discharge (whether before or after judgment, liquidation, winding-up or administration of the Company, the Parent Company or the Charging Subsidiaries) at such rate or rates as may from time to time be payable and compounded (whether before or after demand or judgment) in accordance with the Facilities Agreement and, in the case of any sum payable under paragraph 2 above, at the rate of three per cent per annum over the base rate of The Royal Bank of Scotland plc from time to time; PROVIDED THAT, in relation to such costs, charges, expenses, and damages and other sums as are mentioned in paragraph 2 above (to the extent the relevant sum is not due and payable pursuant to the Facilities Agreement) interest shall accrue and be payable as from the date on which the same are paid by any Bank, any Receiver, delegate or sub-delegate as therein mentioned or became due to such Receiver, delegate or sub-delegate under the terms of his appointment without the necessity for any demand being made for payment thereof.

Company The Music Group International Limited
Company No: 4546827

RIDER 2

Short Particulars of all property mortgaged or charged (the "Charged Property")

As a continuing security for all the respective liabilities and obligations described in Rider 1 of this Form M395 above:-

1. by way of first legal mortgage all of the freehold and leasehold property then vested in the Company, and all buildings and fixtures (including trade fixtures, tenant's fixtures and fixed plant and machinery) at the time of creation of the Mortgage Debenture or thereafter from time to time therein or thereon but excluding all land in Scotland (the "**Legally Mortgaged Property**") and/or the proceeds of sale thereof;
2. by way of first fixed equitable charge all estates or interests in any freehold and leasehold property (other than such property effectively mortgaged under paragraph 1 above) then and at any time during the continuance of this security belonging to or charged to the Company and all licences at the time of creation of the Mortgage Debenture or thereafter held by the Company to enter upon or use land and the benefit of all other agreements relating to land to which the Company was then or may become a party or otherwise entitled and all buildings fixtures (including trade and tenant's fixtures) and fixed plant and machinery owned by the Company and from time to time in or on any freehold or leasehold property an interest in which is charged or mortgaged thereunder (the "**Equitably Charged Property**") and/or the proceeds of sale thereof;
3. by way of first fixed charge all book debts and other monetary debts and claims at the time of creation of the Mortgage Debenture and from time to time due or owing to the Company and the benefit of all rights relating thereto including (without prejudice to the generality of the foregoing) things in action which give rise or may give rise to a debt or debts including all the right, title and interest of the Company to and in any policies of insurance and the proceeds thereof (the "**Book and other Debts**");
4. by way of first fixed charge one £1 ordinary share in The Music Group Holdings Limited (Company No. 4546742), all stocks, shares and/or other securities legally and/or beneficially owned by the Company or any nominee including without limitation all dividends, benefits, property, rights, accretions, monies, advantages, credits, rebates, refunds (including rebates and refunds in respect of any tax, duties, imposts or charges) and other distributions paid or payable in respect thereof whether by way of bonus, capitalisation, preference, option, redemption or otherwise (the "**Securities**") together with all bills of exchange, promissory notes, negotiable instruments, debentures, loan capital indebtedness or liabilities on any account or in any manner owing to the Company;
5. by way of first fixed charge the uncalled capital and goodwill of the Company;
6. by way of first fixed charge:
 - (a) all present and future Intellectual Property owned by the Company or in which the Company has any interest;

- (b) all present and future Rights with respect to any present or future Intellectual Property including, without prejudice to the generality of the foregoing, the following:-
 - (i) any present or future right of the Company to sue for damages or any other remedy in respect of any past, present or future infringement or alleged infringement by any person whatsoever of any present or future Intellectual Property; and
 - (ii) any present or future right of the Company to apply for, prosecute and obtain patent, trade mark, registered design or any other registration or protection throughout the world in respect of any present or future Intellectual Property or any present or future matter relating thereto;
 - (c) the rights (including, without limitation, rights relating to the receipt of royalties, fees or other monies from time to time vested in the Company with respect to, and the benefit of all obligations owed from time to time by any person in relation to, any present or future agreement, document or instrument (including, without limitation, any licence, sub-licence or franchise) entered into or the benefit of which is enjoyed by the Company relating to the use of or licensing of or exploitation of any present or future Intellectual Property by the Company or any other person whatsoever;
 - (d) the Company's interests of whatsoever kind in or to any present or future physical, electronic or other materials or media (including, without limitation, manuscripts, drawings, paintings, designs, source codes, computer disks and computer programmes) constituting, comprising, the subject of or containing inventions, works, marks or things which are the subject of any present or future Intellectual Property;
7. by way of first fixed charge all amounts realised upon the enforcement or execution of any order of the court under Sections 212, 213, 214, 238, 239, 244 or 423 of the Insolvency Act 1986;
8. by way of first fixed charge all its right, title and interest to and in the sale and purchase agreement dated 11th February 2003 between Boosey & Hawkes plc and The Music Group Holdings Limited, relating to the acquisition of (among other things) the entire issued share capital of Boosey & Hawkes Musical Instruments Limited, Boosey & Hawkes External Affairs Limited and Boosey & Hawkes Offshore Management Limited including without limitation:
- (a) the right to demand and receive all monies whatsoever payable to or for the benefit of the Company under or arising from the Documents;
 - (b) all remedies provided for in the Documents or available at law or in equity;
 - (c) the right of the Company to compel performance of the Documents; and
 - (d) all other rights interests and benefits whatsoever accruing to or for the benefit of the Company arising from the Documents.

9. by way of first fixed charge all plant vehicles and machinery then or at any time thereafter belonging to the Company (excluding however plant and machinery for the time being forming part of its stock in trade);
10. by way of fixed charge all chattels then or at any time thereafter owned or hired, leased or rented by the Company to any other person together in each case subject to and with the benefit of the related hiring, leasing or rental contract and any guarantee, indemnity or other security for the performance of the obligations of any person under or in respect of such contract;
11. by way of first floating charge its undertaking and all its other property, assets and rights whatsoever and wheresoever present or future including, without limitation, the stock in trade of the Company and the property, assets and rights mortgaged or charged under paragraphs 1 to 10 (inclusive) above and 12 below if and in so far as the mortgage or charges thereon contained in the Mortgage Debenture shall for any reason be ineffective as fixed charges or security (all such property assets and rights hereinafter called the "Property charged by way of Floating Charge" and together with the Legally Mortgaged Property, the Equitably Charged Property, the Book and other Debts, the Securities, the goodwill and Intellectual Property, the Documents, the Policies and all other property hereby mortgaged or charged collectively called the "**Charged Property**" which expression shall be taken to refer to the real and/or the personal or incorporeal property hereby mortgaged or charged as the context may require or admit);
12. by way of assignment, all the Policies together with all bonuses and other moneys, benefits and advantages that may become payable or accrue thereunder or under any substituted policy or under any new policy effected under the provisions thereof and the full benefit of such policies and all the right, title and interest whatsoever of the Company therein together with full power to give an effectual discharge for any of the moneys so assured or to become payable to hold for the Agent absolutely, but subject nevertheless to redemption at the cost of the Company or payment and discharge of all moneys and obligations hereby covenanted to be paid, such charges and assignments to exclude any assets held by the Company under any contract or agreement the terms of which either preclude absolutely the Company from creating any charge or assignment over such assets or require the consent of any third party prior to the creation of such charge or assignment and such consent shall not have been previously obtained (each an "**Excluded Asset**"). With regard to such an Excluded Asset, the Company is obliged to use reasonable endeavours to seek the consent of a relevant third party to the creation of such charges and assignments above and to use as soon as possible after being requested by the Agent.

A NOTES

Negative Pledge and Restrictions on Disposals

The Company covenants and agrees that it will not, without the prior consent in writing of the Agent unless permitted to do so by the Facilities Agreement (a) create or attempt to create or permit to subsist any Security Interest or permit any other proprietary right or interest to arise on or affect the Charged Property or any part thereof; or (b) part with possession of, transfer, sell, lease or otherwise dispose of the Charged Property or any part thereof or any interest therein or attempt or agree so to do whether by a single or a series of transactions.

B DEFINITIONS:

In this Form M395 the following expressions shall have the following meanings:

"Agent" means the Royal Bank of Scotland plc as trustee and agent for the Banks.

"Banks" means the following Banks; The Royal Bank of Scotland plc and/or its successors in title and permitted transferees and/or assigns which are for the time being under the Facilities Agreement and **"Bank"** shall be construed accordingly.

"Charging Subsidiaries" means The Music Group Holdings Limited, Boosey & Hawkes External Affairs Limited, Boosey & Hawkes Offshore Management Limited and Boosey & Hawkes Musical Instruments Limited.

"Facilities Agreement" means the term loan and revolving credit facilities agreement dated 11th February 2003 as amended by a supplemental facility agreement dated 28th February 2003 between the Parent, the Company, The Music Group Holdings Limited the Banks and the Agent.

"Guarantor" means any one of the Company, the Parent Company and the Charging Subsidiaries insofar only as it hereby may from time to time covenant to pay or discharge monies, obligations or liabilities due, owing or incurred by any Obligor to any Bank.

"Intellectual Property" all intellectual property rights and industrial property rights, including without limitation the Copyright, Patent Rights, the Trade Marks, the Designs and Know-How and any similar or analogous or equivalent right to any of the above and any other intellectual property, industrial property or monopoly right which may subsist anywhere in the world.

"Obligations" means all monies, obligations and liabilities referred to in Clause 2.1 of the Mortgage Debenture on the part of each of the Company, the Parent Company and the Charging Subsidiaries, all indebtedness, monies, obligations and liabilities whatsoever in whatever currency denominated whether actual or contingent, present or future, which may be now or hereafter due or owing or incurred by each Obligor to the Banks (including, without limitation, the Ancillary Facilities Bank (as defined in the Facilities Agreement) under the Facilities Agreement, or any document given as security therefor by any such Obligor and whether on any current or other account and whether alone or jointly and whether as principal or surety and all other conditions, covenants and obligations of each Obligor to the Bank arising pursuant to or in connection with the Facilities Agreement, the Ancillary Facilities Letter, (as defined in the Facilities Agreement) the Hedging Agreements, (as defined in the Facilities Agreement) and/or contained in any document given as security therefor by any such Obligor including, without limitation, the Mortgage Debenture.

"Obligor" means any one of MGIL (and any of its subsidiaries from time to time), the Parent Company and the Charging Subsidiaries as may from time to time owe monies, obligations or liabilities to any Bank pursuant to the Facilities Agreement, and/or contained in any document given as security therefor by any such the Company (and any of its subsidiaries from time to time), the Parent Company and the Charging Subsidiaries and **"Obligors"** shall be construed accordingly.

"Parent Company" means The Music Group Limited.

"Policies" means those policies of assurance in respect of (1) Royal & Sun Alliance Global Material Damage & Business Interruption, (2) Royal & Sun Alliance Global Public/Product Liability, (3) ACE Global Marine Cargo Transit and (4) Royal & Sun Alliance Travel.

“Receiver” means a receiver, receiver and manager or administrative receiver appointed pursuant to the provisions of the Mortgage Debenture.

“Rights” means any and all rights in the Intellectual Property owned by the Company (including without limitation in any licences to the Company of any Intellectual Property).

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04546827

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A MORTGAGE DEBENTURE DATED THE 28th FEBRUARY 2003 AND CREATED BY THE MUSIC GROUP INTERNATIONAL LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE ROYAL BANK OF SCOTLAND plc 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 14th MARCH 2003.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 18th MARCH 2003.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

*Le
Paw*



Companies House

— for the record —