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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

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

4589136

Name of company

* Weavedegree Limited (the "Charging Company")

Date of creation of the charge

12 December 2002

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

Debenture (the "Debenture")

Amount secured by the mortgage or charge

See attached Rider 1

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

Lloyds TSB Bank plc, PO Box 18436, 3rd Floor, 39 Threadneedle Street,
London EC2R 8PT (the "Bank")

Postcode

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

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

REJ/107261.64/20499127.01

Time critical reference

For official Use
Mortgage Section

Post room



LD7
COMPANIES HOUSE

0010
19/12/02

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

See attached Rider 2

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write in
this margin

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legibly, preferably
in black type, or
bold block
lettering

Particulars as to commission allowance or discount (note 3)

N/A

A fee of £10 is
payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

Signed Ais Cameron McKeenna

Date 18 December 2002

On behalf of ~~[company]~~ [mortgagee/chargee]†

† 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

RIDER 1

Amount secured by the mortgage or charge

1.
 - (a) All money and liabilities whether actual or contingent (including further advances made after the date of the Debenture by the Bank and secured directly or indirectly by the Debenture) which then were or at any time thereafter may be due, owing or incurred by the Charging Company to the Bank anywhere or for which the Charging Company may be or become liable to the Bank in any manner whatsoever without limitation (and whether alone or jointly with any other person and in whatever style, name or form and whether as principal or surety and notwithstanding that the same may at any earlier time have been due owing or incurred to some other person and have subsequently become due, owing or incurred to the Bank as a result of a transfer, assignment or other transaction or by operation of law); and
 - (b) interest on all such money and liabilities to the date of payment at such rate or rates as may from time to time be agreed between the Bank and the Charging Company or, in the absence of such agreement, at the rate, in the case of an amount denominated in Sterling, of two percentage points per annum above the Bank's base rate for the time being in force (or its equivalent or substitute rate for the time being) or, in the case of an amount denominated in any currency or currency unit other than Sterling, at the rate of two percentage points per annum above the cost to the Bank (as conclusively determined by the Bank) of funding sums comparable to and in the currency or currency unit of such amount in the London Interbank Market (or such other market as the Bank may select) for such consecutive periods (including overnight deposits) as the Bank may in its absolute discretion from time to time select;
 - (c) commission and other banking charges and legal, administrative and other costs, charges and expenses incurred by the Bank in relation to the Debenture (including any acts necessary to release the Charged Property (as defined below) from the Debenture) or in enforcing the security thereby created on a full and unqualified indemnity basis; and
 - (d) any fees charged by the Bank for the time spent by the Bank's officials, employees or agents in dealing with any matter relating to the Debenture. Such fees shall be payable at such rate as may be specified by the Bank.
2. Interest at the rate aforesaid on the money so due (whether before or after any judgment which may be recovered therefor) upon such days in each year as the Bank and the Charging Company shall from time to time agree or, in the absence of such agreement, as the Bank shall from time to time fix and (without prejudice to the right of the Bank to require payment of such interest) all such interest shall be compounded (both before and after any demand or judgment) upon such days in each year as the Bank shall from time to time fix.

RIDER 2

Short particulars of all the property mortgaged or charged

- First: The freehold and leasehold property (if any) of the Charging Company both present and future including (without prejudice to the generality of the foregoing) the properties (if any) specified in the Schedule to the Debenture (and, where any such property is leasehold, any present or future right or interest conferred upon the Charging Company in relation thereto by virtue of any Enfranchising Legislation (as defined below) including any rights arising as against any nominee purchaser pursuant thereto) and all buildings and fixtures (including trade fixtures) fixed plant and machinery from time to time on any such property and all liens, mortgages, charges, options, agreements and rights, titles and interests (whether legal or equitable) of the Charging Company in or over land or the proceeds of sale thereof of whatever description both present and future and all the right, title and interest of the Charging Company in any such plant and machinery from time to time hired, leased or rented by the Charging Company from third parties or acquired by the Charging Company from third parties on a hire, instalment or conditional purchase basis including (without prejudice to the generality of the foregoing) the Charging Company's right to any refund of rentals or other payments.
- Secondly: All book debts both present and future due or owing to the Charging Company or in which the Charging Company is legally, beneficially or otherwise interested (and the proceeds thereof) and the benefit of all rights relating thereto including (without prejudice to the generality of the foregoing) negotiable instruments, legal and equitable charges, reservation of proprietary rights, rights of tracing and unpaid vendors' liens and similar and associated rights.
- Thirdly: All other debts, claims, rights and choses in action both present and future of the Charging Company or in which the Charging Company is legally, beneficially or otherwise interested (and the proceeds thereof) including (without prejudice to the generality of the foregoing):
- (a) deposits and credit balances held by the Charging Company with the Bank or any third party from time to time both present and future (including choses in action which give rise or may give rise to a debt or debts) owing to the Charging Company (and the proceeds thereof);
 - (b) any amounts owing to the Charging Company by way of rent, licence fee, service charge or dilapidations by any tenant or licensee (in each case whether present or future) of any freehold or leasehold property from time to time forming part of the Charged Property and any ground rents and rent charges, rent deposits and purchase deposits owing to the Charging Company (and, in each case, the proceeds thereof);

- (c) without prejudice to paragraph (d) below, any amounts owing or which may become owing to the Charging Company under any building, construction or development contract or by virtue of the Charging Company's rights under any retention or other trusts, whether or not any certificate as to the amount due has been issued in respect thereof (and the proceeds thereof);
- (d) without prejudice to paragraph (e) below, all rights (and the proceeds of such rights) present or future, actual or contingent, arising under or in connection with any contract whatsoever in which the Charging Company has any right, title or interest (including, without limitation, all policies and contracts of insurance and assurance);
- (e) any amounts owing or which may become owing to the Charging Company by way of damages, compensation or otherwise under any judgment or order of any competent authority howsoever arising or by way of settlement or compromise of any legal proceedings; and
- (f) the benefit of all rights relating to such debts, claims, rights and choses in action including (without prejudice to the generality of the foregoing) such rights as are Secondly described above.

Fourthly: Where the Charging Company for the time being carries on any business comprising or relating to the provision of credit (as defined by Section 9 of the Consumer Credit Act 1974) or any business comprising or relating to the bailment or (in Scotland) the hiring of goods:

- (a) the full benefit of and all rights under the Credit Agreements (as defined below), including all money payable under or in respect of the Credit Agreements;
- (b) the full benefit of and all rights under the Hiring Agreements (as defined below), including all money payable under or in respect of the Hiring Agreements;
- (c) the full benefit of and all rights relating to the Instalment Credit Agreements (as defined below) including all legal and equitable charges and other securities and guarantees and the other rights and remedies expressly or impliedly reserved by the Instalment Credit Agreements and by such securities and guarantees;
- (d) the Charging Company's present and future rights and interests (if any) in and to any chattels comprised in the Instalment Credit Agreements or securities and guarantees provided in relation thereto including (without prejudice to the generality of the foregoing) any right to damages relating thereto and the benefit of any warranties given in respect thereof insofar as the property or any interest in such chattels remains vested in the Charging Company; and

- (e) the full benefit of the Charging Company's rights and interests (if any) in and to all insurance effected by the Charging Company or by any other person of any chattels comprised in any Instalment Credit Agreements or any security or guarantee provided in relation thereto.
- Fifthly:
 - (a) The Securities(as defined below);
 - (b) all rights in respect of or incidental to the Securities; and
 - (c) the Interests in Securities(as defined below).
- Sixthly: The Intellectual Property Rights (as defined below).
- Seventhly: The goodwill and the uncalled capital of the Charging Company both present and future.
- Eighthly: All other plant and machinery, fittings and equipment (not in any such case being the Charging Company's stock-in-trade or work in progress) then or at any time thereafter belonging to the Charging Company or in which the Charging Company is legally, beneficially or otherwise interested, wherever situated and whether or not affixed to any freehold or leasehold property of the Charging Company.
- Ninthly: All the rights, interests and benefits of the Charging Company under any present or future hire-purchase, conditional sale, credit sale, leasing or rental agreement to which the Charging Company is a party in the capacity of hirer, purchaser or lessee including (without prejudice to the generality of the foregoing) the Charging Company's right to any refund of rentals or other payments.
- Tenthly: The undertaking and all property and assets of the Charging Company both present and future including (without prejudice to the generality of the foregoing) heritable property and all other property and assets in Scotland and the Charged Property First, Secondly, Thirdly, Fourthly, Fifthly, Sixthly, Seventhly, Eighthly and Ninthly described (if and in so far as the charges thereon or on any part or parts thereof herein contained shall for any reason be ineffective as fixed charges).

Under Clause 4.2 of the Debenture the security thereby created shall as regards the Charged Property First, Secondly, Thirdly, Fourthly, Fifthly, Sixthly, Seventhly, Eighthly and Ninthly described be first fixed charges (and as regards all those parts of the Charged Property First described then vested in the Charging Company shall constitute a charge by way of legal mortgage thereon) and as regards the Charged Property Tenthly described shall be a first floating charge.

Under Clause 4.3 of the Debenture the security thereby constituted shall extend to all beneficial interests of the Charging Company in the Charged Property and to any proceeds of sale or other realisation thereof or of any part thereof.

By Clause 5.1 of the Debenture the Charging Company shall not without the consent in writing of the Bank:

- (a) sell, assign, license, sub-license, discount, factor or otherwise dispose of, or deal in any other way with, the Charged Property (other than the Charged Property Tenthly described) provided that for the avoidance of doubt sub-clause 5.1(a) of the Debenture shall not prevent the Charging Company without such consent collecting proceeds of the book and other debts, monetary claims and choses in action forming part of the Charged Property in the ordinary course of the Charging Company's business and paying the same into the Charging Company's account(s) with the Bank in accordance with sub-clause 5.7(a) of the Debenture and provided further that where the Bank makes a payment at the request of the Charging Company which is debited to any account with the Bank which is for the time being in credit, the Bank shall be taken to have given any necessary consent for the purposes of this clause to such payment unless such payment was made as a result of some mistake of fact on the part of the Bank;
- (b) create or permit to subsist or arise any mortgage, debenture, hypothecation, charge, assignment by way of security, pledge or lien or any other encumbrance or security whatsoever upon the Charged Property except a lien arising by operation of law in the ordinary course of the Charging Company's business as conducted during the 12 months preceding the date when the lien first came into existence;
- (c) enter into any contractual or other agreement or arrangement which has or may have an economic effect similar or analogous to any such encumbrance or security as would be prohibited by sub-clause 5.1(b) of the Debenture;
- (d) transfer, sell or otherwise dispose of the whole or any material part of the Charged Property Tenthly described whether by a single transaction or a number of transactions whether related or not except by way of sale at full value in the usual course of trading as transacted at the date of the Debenture;
- (e) vary or purport to vary any Instalment Credit Agreement or any security or guarantee provided in relation thereto or give any consents or licences under the terms of any Instalment Credit Agreement or any security or guarantee provided in relation thereto provided that the Charging Company shall not be prohibited by such covenant from agreeing to any such variation or giving any such licence or consent if to do so would not materially and adversely affect the value to the Bank for security purposes of such Instalment Credit Agreement or such security or guarantee and if to do so would not affect the validity or enforceability of such Instalment Credit Agreement or such security or guarantee; or
- (f) enter into any agreement with a financier, provider of money, creditor or any other party whatsoever (hereinafter called the "**Financier**") which has the economic effect of, or an economic effect similar to that of, providing security in respect of or in connection with the provision of finance or credit by the Financier and which involves or may involve one or more of the following:
 - (i) sales, agreements for sale or transfers of any property or rights whatsoever to the Financier; and/or

- (ii) sales, agreements for sale or transfers actually or potentially on behalf of the Financier to any third party whatsoever; and/or
- (iii) the grant or possible grant of authority by the Financier for sales, agreements for sale or transfers of the nature set out in sub-clause 5.1(f)(ii) of the Debenture;

By Clause 5.7(a) of the Debenture the Charging Company covenanted that it shall pay into its account or accounts with the Bank the proceeds of the book and other debts, monetary claims and choses in action forming part of the Charged Property provided that the Bank shall be deemed to receive the amounts owing to the Charging Company referred to in paragraph (b) of the Charged Property Thirdly described above pursuant to the fixed charge contained therein and not pursuant to the fixed charge on freehold and leasehold property First described in that sub-clause or as mortgagee in possession.

By Clause 5.7(b) of the Debenture the Charging Company declared that all such proceeds received or obtained by the Charging Company or on the Charging Company's behalf but which are not so paid or transferred into that account or accounts shall be received and held by the Charging Company on trust for the Bank.

By Clause 7.1 of the Debenture the Charging Company covenanted that it shall at any time if and when required by the Bank execute and deliver to the Bank or as the Bank shall direct such further legal or other assignments, mortgages, securities, charges, agreements or other legal documentation as the Bank shall require of and on all or any of the Charged Property to secure payment of the Secured Obligations (as defined below), such assignments, mortgages, securities, charges, agreements or other legal documentation to be prepared by or on behalf of the Bank at the cost of the Charging Company and to contain all such clauses for the benefit of the Bank as the Bank may require including, if so required by the Bank in the case of a mortgage or charge on any freehold or leasehold property, any such clauses as are contained in any of the Bank's standard forms of mortgage from time to time and, in the case of securities over heritable property, any such clauses as are contained in any of the Bank's standard forms of standard security from time to time. The Charging Company shall at any time if and when required by the Bank give notice to such parties as the Bank may require of the charges thereby effected and any such further legal or other assignments, mortgages, securities, charges, agreements or other legal documentation and shall take such other steps as the Bank may require to perfect any of the same.

By Clause 7.2 of the Debenture, the Charging Company covenanted that on each occasion that the Charging Company acquires, or any nominee on the Charging Company's behalf acquires, any property the title to which is registered or required to be registered under the Land Registration Acts 1925 to 1986, the Charging Company shall immediately notify the Bank in writing of each relevant title number and the Charging Company shall procure that title to that property is duly and promptly registered and that the Debenture is entered on the register with a restriction and, if applicable, a note in the terms referred to in sub-clause 5.2 of the Debenture.

By Clause 7.3 of the Debenture, the Charging Company covenanted that without prejudice to the security constituted under the Debenture the Bank may at any time (either before or after demand has been made by the Bank for payment of the money secured under the

Debenture) by notice in writing to the Charging Company convert the floating charge created by sub-clause 4.1 of the Debenture over the Charged Property Tenthly described with immediate effect into a fixed charge as regards any of the Charged Property Tenthly described specified in the notice.

By Clause 7.4 of the Debenture, the Charging Company covenanted that if, without the Bank's prior written consent, any security comes into existence in favour of a third party in relation to any part of the Charged Property Tenthly described or if any person carries out, or attempts to carry out, any enforcement or process (including any distress, execution, taking of possession, forfeiture or sequestration) against any of the Charged Property Tenthly described, the floating charge over such property shall automatically and instantly convert to, and have effect as, a fixed charge.

By Clause 20.1 of the Debenture, the Charging Company covenanted that without prejudice to any other rights whatsoever which the Bank may have whether under general law or by implication or otherwise, the Bank shall have the right at any time or times and without notice to the Charging Company (as well before as after any demand under the Debenture or otherwise) to combine or consolidate all or any of the then existing accounts (including accounts in the name of the Bank with any designation which includes all or any part of the name of the Charging Company) and liabilities to the Bank of the Charging Company and/or set off or transfer any sum or sums standing to the credit of any one or more of such accounts (whether subject to notice or restriction on availability or not and whether denominated in Sterling or in any other currency or currency unit) in or towards satisfaction of any of the liabilities of the Charging Company to the Bank on any other account or in any other respect, whether such liabilities be actual, contingent, primary, collateral, several or joint and whether as principal or surety.

Definitions

"Charged Property" means the undertaking, assets, properties, revenues, rights and benefits First, Secondly, Thirdly, Fourthly, Fifthly, Sixthly, Seventhly, Eighthly, Ninthly and Tenthly described in sub-clause 4.1 of the Debenture (set out above) and references to the Charged Property include references to any part of it;

"Credit Agreements" means all agreements then or thereafter entered into by the Charging Company under which the Charging Company has provided or agreed to provide credit (as defined by section 9 of the Consumer Credit Act 1974) to any person of any amount and all agreements then or thereafter entered into by any person other than the Charging Company under which credit (as so defined) is provided or agreed to be provided and the benefit of which is assigned to or otherwise vested in the Charging Company;

"Enfranchising Legislation" means any legislation conferring upon a tenant or tenants of property (whether individually or collectively with other tenants of that or other properties) the right to acquire a new lease of that property or to acquire or require the acquisition by a nominee of the freehold or any intermediate reversionary interest in that property including (without limitation) the Leasehold Reform Act 1967 and the Leasehold Reform, Housing and Urban Development Act 1993 but does not include Part II of the Landlord and Tenant Act 1954;

“Hiring Agreements” mean all rights under all agreements (not being Credit Agreements) then or thereafter entered into by the Charging Company for the bailment or (in Scotland) the hiring of goods to any person and all agreements (not being Credit Agreements) then or thereafter entered into by any person other than the Charging Company for such bailment or (in Scotland) hiring the benefit of which is assigned to or otherwise vested in the Charging Company;

“Instalment Credit Agreements” means the Credit Agreements and the Hiring Agreements;

“Intellectual Property Rights” means:

- (a) all present and future copyrights, patents, designs, trademarks, service marks, brand names, inventions, design rights, know-how, formulas, confidential information, trade secrets, computer software programs, computer systems and all other intellectual property rights whatsoever without any limitation, whether registered or unregistered, in all or any part of the world in which the Charging Company is legally, beneficially or otherwise interested;
- (b) the benefit of any pending applications for the same and all benefits deriving therefrom and thereunder including but not limited to royalties, fees, profit sharing agreements and income arising therefrom and all licences in respect of or relating to any intellectual property rights, whether such licences are granted to the Charging Company or granted by the Charging Company; and
- (c) every item of physical material of any description or type whatever in or in respect of which intellectual property rights may subsist and in respect of each such item the original copy or version or variant owned by, produced by or delivered to or obtained by the Charging Company and any rejected and surplus materials associated or connected with or forming part of the foregoing which shall include, without limitation, any and all manuals and translations thereof, log books, designs, sketches, algorithms, calculations, diagrams, computations, source codes, models, prototypes, apparatus, computer programs, photographs, books and other records in any medium, electronic data and any other material of any description whatever in which intellectual property may be incorporated;

“Interests in Securities” means the Securities and all stocks, shares, securities, rights, money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option or otherwise to or in respect of any of the Securities including all dividends, interest and other income payable in connection therewith;

“Secured Obligations” means:

- (a) all money and liabilities and other sums thereby agreed to be paid by the Charging Company to the Bank; and

- (b) all other money and liabilities expressed to be secured thereby (including, without limitation, any expenses and charges arising out of or in connection with the acts or matters referred to in clauses 10, 13, 18 and 23 of the Debenture);

"Securities" means all stocks, shares, bonds, certificates of deposit, depository receipts, derivatives (including any currency or currency unit, interest rate or commodity hedging arrangement), securities and other interests and rights which were then or may at any time thereafter be owned by the Charging Company or in which the Charging Company may be legally, beneficially or otherwise interested (and whether held in certificated form or in uncertificated form by a member (whether the Charging Company itself or a third party) of CREST or any other similar system) including, without limitation:

- (a) loan capital, indebtedness or liabilities on any account or in any manner owing to the Charging Company both present and future in or from any company which then was or may thereafter become a subsidiary (as defined in Section 736 of the Companies Act 1985) of the Charging Company;
- (b) the full benefit of all stocks, shares, certificates of deposit, depository receipts and securities which or the certificates for which were then or may at any time after the date of the Debenture be lodged by the Charging Company or on its behalf with the Bank or held by the Bank or its agents or transferred to or registered in the name of the Bank or its agents or their respective nominees or held by any party other than the Charging Company for or to the order of the Bank at the request of or by arrangement with the Charging Company;
- (c) all property and rights of the Charging Company in respect of any account then or thereafter held by or for the Charging Company as participant or as beneficiary of a nominee or trustee participant with any clearance or settlement system or depository or custodian or sub-custodian or broker (in each case, whether in the UK or elsewhere) relating to stocks, shares, securities, certificates of deposit, depository receipts, securities or other interests or rights whatsoever without limitation; and
- (d) all rights in respect of or incidental to the Charged Property described above.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04589136

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 12th DECEMBER 2002 AND CREATED BY WEAVEDEGREE LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO LLOYDS TSB BANK PLC ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 19th DECEMBER 2002.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24th DECEMBER 2002.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —