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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 £13 is payable to Companies House in respect
of each register entry for a mortgage or charge.

395

220588/169

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

[S][I][I]

4625136

Name of company

* Expert Imaging Limited (the "Company")

Date of creation of the charge

29 September 2009

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

Composite Guarantee and Debenture dated 29 September 2009 between the
Company and the Bank (as defined below) (the "Deed").

Amount secured by the mortgage or charge

The liabilities of the Company to the Secured Party (as defined below)
whether present or future, actual or contingent and whether incurred solely
or jointly and whether as principal of surety or in some other capacity
under or pursuant to the Deed (the "Secured Liabilities").

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

HSBC Bank plc (the "Bank"), 8 Canada Square, London

Postcode E14 5HQ

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

Allen & Overy LLP
One Bishops Square
London

E1 6AD

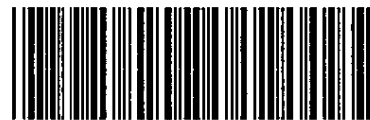
Time critical reference

For official Use (02/06)

Mortgage Section

Post room

FRIDAY



ATGVRDR9

A27

02/10/2009

255

COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

Please see continuation sheet for further information.

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

Particulars as to commission allowance or discount (note 3)

Nil.

Signed

Allen & Overy LLP

Date 30 September 2009

On behalf of ~~XXXXXXXXXXXX~~ (chargee) †

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to Companies
House in
respect of each
register entry
for a mortgage
or charge.
(See Note 5)*

Notes

† delete as
appropriate

- 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 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

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* Expert Imaging Limited (the "Company")

Addendum 1/4

1. Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Addendum 2/4

2. Amount due or owing on the mortgage or charge (continued)

Addendum 3/4

3. Names, addresses and descriptions of the mortgages or persons entitled to the charge (continued)

Addendum 4/4

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

1. CREATION OF SECURITY**1.1 Land**

The Company charges:

- (a) by way of legal mortgage its interest in the Land referred to opposite its name in Schedule 2 (Land charged by way of legal mortgage) to the Deed (reproduced below); and
- (b) by way of fixed charge any right, title or interest which it has now or may subsequently acquire to or in any other Land.

1.2 Investments

The Company mortgages or (if to the extent that the Deed does not take effect as a mortgage) charges by way of fixed charge all Investments, including those held for it by any nominee.

1.3 Equipment

The Company charges by way of fixed charge all Equipment in so far as it is not charged by way of legal mortgage under clause 4.1 (Land) of the Deed.

1.4 Book Debts

The Company charges by way of fixed charge:

- (a) all Book Debts; and

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(b) all benefits, rights and Security held in respect of, or to secure the payment of, the Book Debts.

1.5 Credit balances

The Company charges by way of fixed charge all amounts standing to the credit of any account held in its name or to which it is beneficially entitled.

1.6 Intellectual Property Rights

The Company charges by way of fixed charge all its Intellectual Property Rights.

1.7 Goodwill

The Company charges by way of fixed charge its goodwill.

1.8 Uncalled capital

The Company charges by way of fixed charge its uncalled capital.

1.9 Authorisations

The Company charges by way of fixed charge the benefit of all Authorisations held by it in relation to any Security Asset.

1.10 Insurances

The Company assigns absolutely all its rights and interests under all contracts and policies of insurance relating to the Security Assets provided that on payment or discharge in full of the Secured Liabilities the Secured Party will at the request and cost of the Company reassign the relevant rights and interests in the contracts and policies of insurance to the Company.

1.11 Other assets

1.11.1 The Company charges by way of floating charge:

- (a) all its present and future business, undertaking and assets which are not effectively mortgaged, charged by way of fixed charge or assigned under clause 4 of the Deed; and
- (b) all its present and future business, undertakings and assets located in Scotland or otherwise governed by Scots Law whether or not they are so mortgaged, charged by way of fixed charge or assigned.

1.11.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by the Deed.

1.12 Trust

If or to the extent that for any reason the assignment or charging of any Security Asset is prohibited, the Company holds it on trust for the Secured Party.

1.13 Leases Restricting Charging

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1.13.1 There shall be excluded from the charge created by clause 4.1 (Land) of the Deed any leasehold property held by the Company under a lease which either precludes absolutely or conditionally (including requiring the consent of any third party) the Company from creating any charge over its leasehold interest in that property (each an **Excluded Property**).

1.13.2 For each Excluded Property, other than Rack Rent Leases, the Company undertakes to apply for the relevant consent or waiver of prohibition or condition with 21 days of the date of the Deed and, in respect of each Excluded Property which provides that the relevant third party will not unreasonably withhold its consent to charging, to use reasonable endeavours for a period of 12 months from the date of the Deed to obtain that consent as soon as possible and to keep the Secured Party informed of the progress of its negotiations.

1.13.3 Forthwith upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Secured Party under clause 4.1 (Land) of the Deed. If required by the Secured Party at any time following receipt of that waiver or consent, the Company will forthwith execute a valid legal mortgage in such form as the Secured Party shall reasonably require.

1.13.4 The provisions of clause 4.13 of the Deed shall be without prejudice to the floating charge created by clause 4.11 (Other Assets) of the Deed which shall apply at all times to any Excluded Property.

2. **CONVERSION OF FLOATING CHARGE**

2.1 **Conversion on notice**

Subject to clause 6.2 (Limitation) of the Deed, the Secured Party may by notice to the Company at any time during the Security Period convert the floating charge created by the Company under the Deed into a fixed charge in respect of any Security Asset specified in that notice if:

- (a) a Default is continuing; or
- (b) the Secured Party acting reasonably considers that there is a material risk of that Security Asset being in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other legal or enforcement process or otherwise to be in jeopardy.

2.2 **Limitation**

Clause 6.1 (Conversion on notice) of the Deed shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

2.3 **Automatic conversion**

The floating charge created by the Company under the Deed will convert automatically into fixed charges:

- (a) if the Secured Party receives notice of an intention to appoint an administrator of the Company;
- (b) if any steps are taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of the Company over all or any part of its assets, or if such person is appointed;
- (c) if the Company creates or attempts to create Security over all or any of the Security Assets, other than as

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* Expert Imaging Limited (the "Company")

permitted under the Facilities Agreement or with the prior written consent of the Secured Party;

- (d) on the crystallisation of any other floating charge over the Security Assets; and
- (e) in respect of any particular asset, if any person seizes, attaches, charges, takes possession of or sells that Security Asset under any form of distress, sequestration, execution or other legal process, or attempts to do so.

3. INVESTMENTS

3.1 The Company covenants that at all times during the Security Period, promptly after any Investments are registered in or transferred into the name of the Company or held by the Secured Party (and in any event within 5 Business Days after the Secured Party so requests), it shall deposit with the Secured Party in respect of or in connection with those Investments:

- (a) all stock and share certificates and documents of or evidencing title;
- (b) signed undated transfers, completed in blank and, if the Secured Party so requires, pre-stamped; and
- (c) any other documents which the Secured Party may reasonably require for perfecting its title, or the title of any purchaser,

all of which will be held by the Secured Party at the expense and risk of the Company.

3.2 After a Default occurs which is continuing:

- (a) The Company shall promptly pay over to the Secured Party all Dividends which it may receive, and exercise all voting and other rights and powers attached to the Investments in any manner which the Secured Party may direct; or
- (b) in respect of Investments of which the Secured Party is the legal owner, the Secured Party may receive and retain all Dividends and apply them in any manner permitted by the Deed, and may exercise all such voting and other rights and power in such manner as it determines.

3.3 Until a Default which is continuing occurs the Company may:

- (a) receive and retain Dividends and exercise all voting and other rights and powers attached to the Investments, but only in a manner consistent with the Deed; or
- (b) in respect of Investments for which the Secured Party is the legal owner, direct the Secured Party to promptly pay over the Dividends to it, and exercise all such voting and other rights and powers, but only in a manner consistent with the Deed and the Secured Party will at the cost and risk of the Company forward copies of all notices, documents and other communications received in connection with the Investments to the Company promptly following receipt.

4. RESTRICTIONS ON THE COMPANY

4.1 Restrictions on Dealings

Save for any disposal permitted by the Facilities Agreement, the Deed or otherwise with the prior written consent of the Secured Party, the Company shall not enter into a single transaction or a series of transactions (whether related or not), whether voluntary or involuntary and whether at the same time or over a period of time, to sell, lease,

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transfer, loan or otherwise dispose of any Security Asset, or enter into any agreement to make any such disposal.

4.2 Negative Pledge

The Company shall not create or permit to subsist any Security over any Security Asset except as permitted under the Intercreditor Agreement, clauses 21.3.3 (a) – (j) of the Facilities Agreement or with the prior written consent of the Secured Party.

In this Form 395:

Authorisation means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

Book Debts means, in relation to the Company, all of its book debts arising in the ordinary course of trading.

Business Day means a day (other than Saturday or Sunday) on which banks are open for general business in London.

Default means:

- (a) the occurrence of an Event of Default under, and as defined in, the Loan Note or a Guaranteed Loan Note;
- (b) the Company defaults in the payment when due of any amount due under the Deed (unless such non-payment is as a result of an administrative or technical error and the payment is made within five days of its due date);
- (c) the Company does not comply with or breaches any provision of a Pension Scheme Document (other than a default referred to in (a) and (b) above), provided that no default shall occur if the failure to comply or breach is capable of remedy and is remedied within 15 Business Days of the Secured Party giving notice to Snap Equity Limited or, if earlier than such notice, the Company becoming aware of the failure to comply;
- (d) the Company ceases to be a wholly-owned subsidiary of Snap Equity Limited;
- (e) it is or becomes unlawful for the Company to perform any of its obligations under the Pension Scheme Documents and any such unlawfulness, if capable of remedy, is not remedied within 30 days of the Company becoming aware of its occurrence; or
- (f) the Company repudiates a Pension Scheme Document or evidences an intention to repudiate a Pension Scheme Document.

Dividends means all dividends, interest and other distributions paid or payable on or in respect of the Investments.

Equipment means, in relation to the Company, all its fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment and the benefit of all related Authorisations, agreements and warranties.

Facilities Agreement means the facilities agreement dated on or around the date of the Deed between, among others, the Company and the Bank in its capacity as Lender thereunder and any reference to the Facilities Agreement in the Deed shall be a reference to the original terms of the Facilities Agreement as entered into on or about the date of the Deed (and not as those terms may be subsequently amended, restated, waived or modified).

Guaranteed Loan Notes means the £125,000 variable rate guaranteed unsecured loan note 2010 and the £125,000 variable rate guaranteed unsecured loan note 2011 issued by Snap Equity Limited to the Secured Party which are intended to be transferred, together with the rights under the Deed, to the Trustees.

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Group means Snap Equity Limited and its Subsidiaries for the time being and member of the Group and Group Company means any one of them.

Intellectual Property Rights means all patents, trade marks, trade names, domain names, service marks, software rights, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and rights to use such assets of each member of the Group but excluding any such Intellectual Property Rights held by any member of the Group under license from any person outside of the Group.

Intercreditor Agreement means the intercreditor agreement dated on or about the date of the Deed between, amongst others, Snap Equity Limited, the Bank in its capacity as Senior Creditor thereunder, the Trustees and the Board of the Pension Protection Fund.

Investments means, in relation to the Company:

- (a) all or any of its stocks, shares, bonds and securities of any kind (marketable or otherwise), negotiable instruments and warrants and any other financial instruments (as defined in the Regulations); and
- (b) all allotments, accretions, offers, options, rights, bonuses, benefits and advantages, whether by way of conversion, redemption, preference, option or otherwise which at any time accrue to or are offered or arise in respect of them,

and includes all dividends, interest and other distributions paid or payable on or in respect of them.

Land has the same meaning as it has in section 205(1) of the Law of Property Act 1925, subject to the inclusion of heritable property in Scotland and excluding the Leases.

Leases means:

- (a) the lease of 9a High Street Hampstead London NW3 1PR dated 15th March 2002 made between South West Property (Hampstead) Limited (1) and The Jessop Group Limited (2);
- (b) the lease of 89 Commercial Road Southampton SO5 1GH dated 11 July 1960 made between The Mayor Aldermen and Burgesses of the County Borough of Southampton (1) and E.Wilkes & Co. Limited (2);
- (c) the lease of 7 Finkle Street, Kendal, Cumbria, LA9 4AB with a lease start date of 24.06.86 and lease end date of 24.06.11 between S&J Property Investment (Newcastle) Ltd and Fine Art Development Plc assigned to The Jessop Group Limited by Clinton Cards Group Plc; and
- (d) the lease of 36 St Mary Street, Weymouth, Dorset, DT4 8PU with a lease start date of 25.03.89 and lease end date of 24.03.09 between Manfield and Sons Ltd and Fryers Card Centres Ltd and S E Fryer assigned to The Jessop Group Limited by Clinton Cards Group Plc.

Loan Note means the £2,500,000 variable rate secured loan note 2014 issued by Snap Equity Limited to the Bank which is intended to be transferred, together with the rights under the Deed, to the Trustees.

Pension Scheme means The Jessop Group Limited Pension and Life Assurance Scheme (1993).

Pension Scheme Documents means the Loan Note, the Guaranteed Loan Notes, the Intercreditor Agreement and the Deed.

Rack Rent Lease means a lease of premises which is granted at a rent (as at the commencement of the lease) equal to the

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full annual market value of the premises.

Regulations means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and **Regulation** means any of them.

Secured Party means, at any time, the holder of the Loan Note and the Guaranteed Loan Notes.

Security means a mortgage, standard security, charge, pledge, lien, assignment by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect.

Security Assets means, in relation to the Company, all of its assets which are the subject of any Security created or to be created by the Deed.

Security Period means the period starting on the date of the Deed and ending on the date on which the Secured Party is satisfied that all of the Secured Liabilities have been irrevocably discharged in full and the Secured Party has no commitment or liability, whether present or future, actual or contingent, in relation to the Deed.

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

Trustees means the trustees of the Pension Scheme, being Paul Colin Weston of Thor, The Moorings, The Old Mill, Mill Lane, Sileby, Leicestershire LE12 7UX, Nicholas John Molyneux of 168 Kenrick Road, Mapperley, Nottingham NG3 6EX, Peter Harris of 74 Ainsdale Road, Leicester LE3 0UA, Robert Owen Harget of 51 Roseway, Leicester LE4 7GX and Bridge Trustees Limited of 115 Colmore Row, Birmingham, West Midlands B3 3AL and all of their legal successors.

SCHEDULE 2 FROM THE DEED

LAND CHARGED BY WAY OF LEGAL MORTGAGE

Name of Chargor	Description and address	Title number
The Jessop Group Limited	32 Market Street, Nottingham, NG1 6HW	NT289946
The Jessop Group Limited	9 Commercial Street, Sheffield, S1 2AT	SYK94183
The Jessop Group Limited	9 Devonshire Street, Carlisle, CA3 8LG	CU54562
The Jessop Group Limited	76 High Street, Bedford, MK40 1NN	BD118015
The Jessop Group Limited	97-98 High Street, Chelmsford, CM1 1DX	EX463765
The Jessop Group Limited	2 Market Street, Watford, WD18 0PD	HD162289
The Jessop Group Limited	88 Fishergate, Preston, PR1 2NJ	LA426877
The Jessop Group Limited	59/61 Abingdon Street and 46 Talbot Road, Blackpool, FY1 1DH	LA628605
The Jessop Group Limited	27 High Street, Sutton, SM1 1DJ	SGL10699
The Jessop Group Limited	100 High Street, Colchester, C01 1TH	EX486578
The Jessop Group Limited	26 Bridge Street, Swindon, SN1 1BP	WT120789
The Jessop Group Limited	56 & 57 Fawcett Street, Sunderland, SR1 1SE	TY205974
The Jessop Group Limited	98 Scudamore Road, Leicester, LE3 1TZ	LT357427
The Jessop Group Limited	98 Scudamore Road, Leicester, LE3 1TZ	LT162209

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FILE COPY

**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

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

**COMPANY NO. 4625136
CHARGE NO. 5**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A COMPOSITE GUARANTEE AND
DEBENTURE DATED 29 SEPTEMBER 2009 AND CREATED BY
EXPERT IMAGING LIMITED FOR SECURING ALL MONIES DUE
OR TO BECOME DUE FROM THE COMPANY TO THE SECURED
PARTY ON ANY ACCOUNT WHATSOEVER 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 2
OCTOBER 2009

GIVEN AT COMPANIES HOUSE, CARDIFF THE 5 OCTOBER 2009



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES