

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



704804/50

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number



4676602

Name of company

* Castle Bridge Co Limited (the "Company")

Date of creation of the charge

7 March 2003

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

Guarantee and Debenture (the "Guarantee and Debenture") between the Company and WestLB AG, London Branch (the "Security Trustee")

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) payable or owing by any Obligor to any Secured Party under or in connection with the Finance Documents, whether or not matured and whether or not liquidated provided that no obligation or liability shall be included in this definition to the extent that, if it were so included, the Guarantee and Debenture (or any part thereof) would constitute unlawful financial assistance within the meanings of Sections 151 and 152 of the Companies Act 1985 (the "Secured Obligations").

For all definitions please see Annex A attached

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

WestLB AG, London Branch, Woolgate Exchange, 25 Basinghall Street, London

Postcode EC2V 5HA

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

Weil, Gotshal & Manges
One South Place, London,
EC2M 2WG
Tel: 020 7903 1160

80664.0017.3568.399975.01

Time critical reference

For official Use
Mortgage Section

Post room



A25 *ANE24JJK* 0890
COMPANIES HOUSE 26/03/03

LD6 *L88NCUPL* 0154
COMPANIES HOUSE 21/03/03

1.1 First Fixed Charges The Company has charged and assigned in favour of the Security Trustee (as agent and trustee for the Secured Parties), with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 (or in relation to rights or assets situated in or governed by the laws of the Cayman Islands as sole legal and beneficial owner) and as continuing security for the payment, discharge and performance of all of the Secured Obligations:

(a) by way of first legal mortgage, all of the property specified in Part I of Schedule 2 (Mortgaged Property) of the Guarantee and Debenture together with all Premises and Fixtures thereon, the proceeds of sale of all or any part thereof and the benefit of any covenants for title given or entered into by any predecessor in title of the Company and any moneys paid or payable in respect of such covenants subject, in the case of any leasehold properties, to any necessary third party's consent to such mortgage being obtained;

(b) by way of first legal mortgage, all estates or interests in any freehold, leasehold or other immovable property (to the extent the same are not the subject of a mortgage under paragraph (a) above) wheresoever situate now belonging to it (other than any property in Scotland) and all Premises and Fixtures thereon, the proceeds of sale of all or any part thereof and the benefit of any covenants for title given or entered into by any predecessor in title of the Company and any moneys paid or payable in respect of such covenants subject, in the case of any leasehold properties, to any necessary third party's consent to such mortgage being obtained;

See Continuation Sheet 1

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 *Wail, Goshal & Manger*

Date *21 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

- 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.
- A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 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;
 - subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - 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.
- If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- Cheques and Postal Orders are to be made payable to **Companies House**.
- The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF14 3UZ

Continuation Sheet 1/4

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

- (c) by way of first fixed charge (to the extent that the same are not the subject of a mortgage under paragraph (a) or (b) above) all present and future estates or interests in any freehold, leasehold or other immovable property and any rights under any licence or other agreement or document which gives the Company a right to occupy or use property wherever situated, now or hereafter belonging to it (other than any property in Scotland) and all Premises and Fixtures thereon, all proceeds of sale thereof and the benefit of any covenants for title given or entered into by any predecessor in title of the Company and any moneys paid or payable in respect of such covenants subject, in the case of any leasehold properties, to any necessary third party's consent to such mortgage being obtained;
- (d) by way of first fixed charge:
- (i) its present and future interest in all stocks, shares, debentures, bonds, warrants, coupons or other securities and investments together with all Related Rights accruing thereto now or in the future owned by the Company from time to time not charged pursuant to Clause 1.2 or 1.3 below;
 - (ii) all plant and machinery, computers and vehicles now or in the future owned by the Company and its interest in any plant or machinery, computers and vehicles in its possession other than any for the time being part of the Company's stock in trade or work in progress;
 - (iii) all moneys (including interest) from time to time standing to the credit of each of its present and future accounts (including, without limitation, each Security Account) with any bank, financial institution or other person in any jurisdiction and all rights in relation thereto and the debts represented thereby provided that without prejudice to any other provision of this Clause 1, any monies paid out of such accounts without breaching the terms of any Finance Document and not paid into another such account in the name of the Company shall be released from the fixed charge hereby effected upon the proceeds so being paid out PROVIDED THAT at any time before this charge becomes enforceable, the Mezzanine Interest Reserve Account may be operated in accordance with the terms of the Mezzanine Facility Agreement and upon amounts standing to the credit of the Mezzanine Interest Reserve Account being withdrawn or applied in accordance with the Mezzanine Facility Agreement, such amounts shall be released from the fixed charge created pursuant to the Guarantee and Debenture;
 - (iv) to the extent not effectively assigned under Clause 2.1 below, all proceeds in respect of the Insurances and all claims and returns of premiums in respect thereof;
 - (v) all of the Company's present and future book and other debts and all other moneys due and owing to the Company or which may become due and owing to it at any time in the future and the benefit of all rights, securities and guarantees of any nature whatsoever now or at any time enjoyed or held by it in relation to any of the foregoing including, in each case and without limitation, the proceeds of the same, including all liens, reservations of title, rights of tracing and other rights enabling the Company to enforce such debts provided that without prejudice to any other provision of this Clause 1 (including without limitation paragraph (iii) hereof) such proceeds shall be released automatically from the fixed charge effected by this paragraph (v) upon these proceeds being credited to any Realisations Account;
 - (vi) (to the extent that the same do not fall within any other sub-paragraph of this paragraph (d) and are not effectively assigned under Clause 2.1 below all of the Company's rights and benefits under the Relevant Documents, any letters of credit issued in its favour and all bills of exchange and other negotiable instruments held by it;

See Continuation Sheet 2

Continuation Sheet 2/4

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

- (vii) any beneficial interest, claim or entitlement of the Company to any assets in any pension fund;
- (viii) the Company's present and future goodwill (including all brand names not otherwise subject to a fixed charge under the Guarantee and Debenture);
- (ix) the benefit of all present and future licences, consents and authorisations (statutory or otherwise) held in connection with its business or the use of any of the Charged Assets and the right to recover and receive all compensation which may at any time become payable to it in respect thereof;
- (x) its present and future uncalled capital; and
- (xi) all its present and future Intellectual Property Rights (including, without limitation, the patents, trade marks, designs and domain names, if any, specified in Part III of Schedule 2 of the Guarantee and Debenture (*Intellectual Property Rights*), subject to any necessary third party's consent to such charge being obtained. To the extent that any such Intellectual Property Rights are not capable of being charged (whether by reason of lack of any such consent as aforesaid or otherwise) and, if the same is required, pending the grant of any such consent as aforesaid or otherwise the charge thereof purported to be effected by this paragraph (xi) shall operate as an assignment of any and all damages, compensation, remuneration, profit, rent or income which the Company may derive therefrom or be awarded or entitled to in respect thereof, as continuing security for the payment, discharge and performance of the Secured Obligations.

provided that any property or assets situate in Scotland and any property or assets the rights in and to which are governed by the laws of Scotland shall be excluded from the mortgages and charges created or effected by paragraphs (a) to (d) inclusive above.

1.2 Charges on English Group Shares The Company as continuing security for the payment, discharge and performance of all the Secured Obligations at any time owed or due to the Secured Parties (or any of them) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994:

- (a) has mortgaged and charged and agreed to mortgage and charge to the Security Trustee (as agent and trustee for the Secured Parties) all English Group Shares held now or in the future by it and/or any nominee on its behalf, the same to be a security by way of a first mortgage; and
- (b) has mortgaged, charged and assigned and agreed to mortgage, charge and assign to the Security Trustee (as agent and trustee for the Secured Parties) all the Related Rights accruing to all or any of the English Group Shares held now or in the future by it and/or any nominee on its behalf, the same to be a security by way of a first mortgage or charge.

1.3 Cayman Group Shares The Company as continuing security for the payment, discharge and performance of all the Secured Obligations at any time owed or due to the Secured Parties (or any of them) as sole legal and beneficial owner:

- (a) has mortgaged and charged and agreed to mortgage and charge to the Security Trustee (as agent and trustee for the Secured Parties) all Cayman Group Shares held now or in the future by it and/or any nominee on its behalf, the same to be a security by way of a first mortgage; and
- (b) has mortgaged, charged and assigned and agreed to mortgage, charge and assign to the Security Trustee (as agent and trustee for the Secured Parties) all the Related Rights accruing to all or any of the Cayman Group Shares held now or in the future by it and/or any nominee on its behalf, the same to be a security by way of a first mortgage or charge.

See Continuation Sheet 3

Continuation Sheet 3/4

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

2.1 Assignments Subject to Clause 2.2 (*Non-Assignable*) below, the Company has assigned to the Security Trustee (as agent and trustee for the Secured Parties) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 and as continuing security for the payment and performance of all and to all proceeds of Secured Obligations:

- (a) all its rights, title and interests (if any) to all proceeds of the Insurances received by the Company; and
- (b) (to the extent the same do not fall within any other sub-paragraph of this Clause 2.1) all of its rights and benefits under the Relevant Documents, any distributorship or similar agreements entered into by it, any letters of credit issued in its favour and all bills of exchange and other negotiable instruments held by it.

2.2 Non-Assignable To the extent that any such right, title and interest described in Clause 2.1 above (*Assignments*) is not assignable or capable of assignment:

- (a) the assignment thereof purported to be effected by Clause 2.1 (*Assignments*) above shall operate as in the case of the Relevant Documents, an assignment of any and all damages, compensation, remuneration, profit, rent or income which the Company may derive therefrom or be awarded or entitled to in respect thereof, as continuing security for the payment, discharge and performance of the Secured Obligations at any time owed or due to the Secured Parties (or any of them); and
- (b) the Company shall hold the benefit of any such right, title and interest on trust for the Security Trustee.

3. Creation of Floating Charge The Company hereby charges in favour of the Security Trustee (as agent and trustee for the Secured Parties) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 (and, in relation to any rights or assets situated in or governed by the laws of Scotland, with absolute warrandice and in relation to any rights and in relation to any rights or assets situated in or governed by the laws of the Cayman Islands, as sole legal and beneficial owner) and as continuing security for the payment and performance of the Secured Obligations by way of a first floating charge all its undertaking and assets whatsoever and wheresoever both present and future provided that the floating charge does not cover any assets validly and effectively charged or assigned from time to time (whether at law or in equity) by way of fixed security under the laws of England and Wales in favour of the Security Trustee as security for the Secured Obligations, subject always to all mortgages, fixed charges and assignments created by or pursuant to Clause 1 (*Fixed Charges*) above, Clause 2.1 (*Assignments*) above, or any other provision of the Guarantee and Debenture and (for the avoidance of doubt) the floating charge created by the Guarantee and Debenture extends over the whole assets and undertakings of the Company situated in or governed by the laws of Scotland, including those subject to any fixed charge in favour of the Security Trustee.

4. Further Assurance The Company shall at its own expense (such expenses to be reasonable) execute and do all such assurances, acts and things as the Security Trustee may reasonably require under the laws of any jurisdiction in which any of the Company's property and assets are located in order to perfect or protect the security intended to be created hereby or pursuant hereto over the Charged Assets or any part thereof or facilitate the realisation of the Charged Assets or any part thereof or the exercise of any powers, authorities and discretions vested in the Security Trustee or any Receiver of the Charged Assets or any part thereof, or in any delegate or sub-delegate thereof. To that intent, and without prejudice to the generality of the foregoing, the Company shall execute all transfers, conveyances, assignments and assurances whether to the Security Trustee or to its nominees, give all notices, orders and directions and make all registrations, which in each case the Security Trustee (acting reasonably) may think expedient forthwith on the reasonable request of the Security Trustee. Without prejudice to the generality of this Clause 4, the Company will forthwith, at the reasonable request of the Security Trustee, execute a legal mortgage, standard security, charge, pledge, assignment or assignation over all or any of the Charged Assets subject to or intended to be subject to any fixed security hereby created in favour of the Security Trustee in such form as the Security Trustee may reasonably require provided that the terms and provisions contained in such legal mortgage, standard security, charge, pledge, assignment or assignation shall not be more onerous than the terms and provisions contained herein.

See Continuation Sheet 4

Continuation Sheet 4/4

5. Negative Pledge The Company will not, except pursuant to Clause 1 (*Fixed Charges*) above and Clause 3 (*Floating Charge*) above create or agree or attempt to create or permit to subsist (in favour of any person other than the Security Trustee) any Encumbrance over the whole or any part of its undertaking or assets (including, without limitation, revenues) present or future or agree to do so other than a Permitted Encumbrance.

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

Annex A

Definitions to Form 395

Company Number 4676602

"Accession Agreement" means an agreement (a) in the case of an accession to the Security Trust Deed or a Guarantee and Debenture, substantially in the form set out in the schedules thereto and (b) in the case of an accession to the Senior Facility Agreement, substantially in the form set out in the schedules thereto.

"Account Bank" means the Security Trustee or any other bank or financial institution appointed in a manner satisfactory to the Security Trustee pursuant to Clause 11 of the Guarantee and Debenture (*The Account Bank*).

"Acquisition Agreement" means the sale and purchase agreement dated 7 March 2003 for the sale and purchase of the Target Shares between the Vendor, as the seller, and Castle Property Acquisition Co (Cayman) Limited (a limited liability company organised under the laws of the Cayman Islands with registered number CR-121118), as the buyer, together with all schedules, exhibits and attachments to such agreement and all amendments to such sale and purchase agreement made on or prior to the Closing Date, in the agreed form.

"Acquisition Documents" means, in each case as amended or supplemented in accordance with the terms thereof, the Acquisition Agreement, the Deed of Warranty and all documents to be executed pursuant thereto on or before the Closing Date in the agreed form, and any other document relating to the transactions contemplated in such agreements and identified by the Facility Agent or, after the Priority Creditor Discharge Date, the Mezzanine Agent, and the Obligors' Agent in writing as an Acquisition Document.

"Acquisition" means the acquisition by Castle Property Acquisition Co (Cayman) Limited of the Target Shares pursuant to the Acquisition Documents.

"Additional Borrower" means any member of the Group (excluding the Parent and DDB-Co) which becomes party to the Senior Facility Agreement as a Borrower pursuant to an Accession Agreement delivered pursuant to Clause 26.2 (*Additional Borrowers*) therein, including (upon delivery of such Accession Agreement) the Target and certain of its Subsidiaries as **"Additional Borrowers"**.

"Additional Debt" in relation to any obligation or liability means:

- (a) any novation, deferral or extension of any of those liabilities;
- (b) any further advance made under any agreement supplemental to any relevant Finance Document plus all related interest, fees and costs;
- (c) any claim for damages or restitution in the event of rescission of any such liabilities or otherwise in connection with any relevant Finance Document;
- (d) any claim against any Obligor flowing from any recovery by an Obligor or any other person of a payment or discharge in respect of those liabilities on the grounds of preference or otherwise; and

- (e) any amounts (such as post-insolvency interest) which would otherwise be included in any such liability but for any discharge, non-provability, unenforceability or non-allowability of the same in any Insolvency or other proceedings.

"Additional Guarantor" means the Target and any other member of the Group which becomes party to any Guarantee and Debenture as a Guarantor (a) on the Closing Date or (b) thereafter pursuant to an Accession Agreement delivered pursuant to Clause 26.4 of the Senior Facility Agreement (*Additional Guarantors*) or (as the case may be) Clause 26.2 of the Mezzanine Facility Agreement (*Additional Guarantors*), including (upon delivery of such Accession Agreement) the Additional Obligor as **"Additional Guarantors"**.

"Additional Obligors" means ABC Cinemas Limited, Bookit Limited, Odeon Cinemas Group Limited, Odeon Cinemas Holdings Limited, Odeon Cinemas Limited, Odeon Finance Limited, Odeon Limited and Odeon (Jersey) Limited and each Additional Borrower or Additional Guarantor.

"Advance" means the principal amount of each advance made or to be made under the Senior Facility or (as the case may be) the Mezzanine Facility, in each case from time to time reduced by repayment or payment thereunder.

"Affiliate" means, with respect to any person, any other person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such person. A person shall be deemed to control another person if such person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other person, whether through the ownership of voting securities, by contract or otherwise.

"Agents" means the Senior Agent, the Mezzanine Agent and the Security Trustee.

"Agreed Hedging Strategy" has the meaning given to that term in Clause 19.2 of the Senior Facility Agreement (*Agreed Hedging Strategy*) or (as the case may be) Clause 19.2 of the Mezzanine Facility Agreement (*Agreed Hedging Strategy*).

"Approved GAAP" means accounting principles and practices which at the date hereof are generally accepted in the United Kingdom and approved by the Institute of Chartered Accountants of England and Wales and which are consistent with the accounting principles and practices applied in the preparation of the Base Financial Statements, and any variation to such accounting principles and practices which is not material or, if material, has been agreed in writing by the Majority Lenders.

"Base Financial Statements" means:

- (a) the audited annual consolidated accounts of the Target for and as at the end of the financial year of the Target ended 31 December 2001; and
- (b) the consolidated interim statement of the Target for and as at the end of the half financial year of the Target ended 30 June 2002; and
- (c) the unaudited monthly management accounts of the Target for and as at the end of the month ended 31 December 2002.

"Borrower" means the Original Borrower or an Additional Borrower, unless it has ceased to be a Borrower in accordance with Clause 26.3 of the Senior Facility Agreement (*Resignation of a Borrower*).

"BridgeCo" means Castle Bridge Co Limited, (Company No. 4676602), a company incorporated under the laws of England and Wales.

"Cayman Group Shares" means those shares of members of the Group as are identified in Part 2 of Schedule 1 hereto (*Cayman Group Shares*) and all other shares in companies incorporated in the Cayman Islands of members of the Group at the date of the Guarantee and Debenture or in the future held by each such member and/or any nominee on its behalf.

"Charged Assets" means, in respect of each Obligor, all assets, rights and property of such Obligor the subject of any security created or intended to be created by or pursuant to the Guarantee and Debenture.

"Closing Date" means the date upon which the Acquisition is completed in accordance with the Acquisition Agreement.

"Collateral Account" means each account maintained from time to time by each Obligor for the purposes of Clause 9.4 of the Guarantee and Debenture (*Book Debts and Receipts*) at such branch of the Account Bank as the Security Trustee may from time to time approve (acting reasonably).

"Commitments" means, in relation to an Original Lender and its respective Facility, the amount set opposite its name in Schedule 1 (*The Lenders and Commitments*) of the Senior Facility Agreement or (as the case may be) in Schedule 1 (*The Lenders and Commitments*) of the Mezzanine Facility Agreement and, in relation to any other Lender, the amount or the total amount of the Commitments transferred to it pursuant to one or more Transfer Certificate(s) or other document pursuant to which it becomes party to, or acquires rights under, the Senior Facility Agreement or (as the case may be) the Mezzanine Facility Agreement), less that part of such Commitment transferred by a Lender in accordance with Clause 25 of the Senior Facility Agreement (*Changes to the Lenders*) or (as the case may be) Clause 25 of the Mezzanine Facility Agreement (*Changes to the Lenders*) and that part of such Commitment which has been cancelled, reduced or terminated in accordance with the terms of the relevant Facility.

"DDB-Co" means Castle DDB Co Limited, a limited liability company organised under the laws of England and Wales with registered number 4676590.

"Debt" means any or all of the Primary Hedging Debt, the Revolving Lender Debt, the Senior Debt, the Senior Hedging Debt, the Mezzanine Debt, the Mezzanine Hedging Debt, the Intercompany Debt and the Investor Debt as the context requires.

"Deed of Warranty" means the deed of warranty in the agreed form dated 7 March 2003 between, *inter alios*, Management and the Investors.

"EBITDA" has the meaning ascribed to it in the Senior Facility Agreement or, after the Priority Creditor Discharge Date, the Mezzanine Facility Agreement.

"Encumbrance" means any mortgage, charge (fixed or floating), standard security, pledge, lien, hypothecation, right of set-off, security trust, assignment by way of security, reservation

of title, or any other security interest whatsoever, howsoever created or arising or any other agreement or arrangement entered into for the purposes of conferring security and any agreement to enter into, create or establish any of the foregoing.

"English Group Shares" means those shares of members of the Group as are identified in Part 1 of Schedule 1 hereto (*English Group Shares*) and all other shares (other than the Cayman Group Shares and/or shares in companies incorporated outside England and Wales) of members of the Group now or in the future held by each such member and/or any nominee on its behalf.

"Entertainment Investors" means (a) Entertainment Cinemas Limited, a company organised under the laws of England and Wales with registered number 2094028, (b) Trevor Green, an individual, and (c) Nigel Green, an individual.

"Excess Revolving Lender Debt" has the meaning given to it in Clause 16.4 of the Security Trust Deed (*Limit on Revolving Lender Debt*).

"Excess Senior Debt" has the meaning given to it in Clause 16.3 of the Security Trust Deed (*Limit on Senior Debt*).

"Existing Indebtedness" means the Indebtedness of members of the Target Group specified in Schedule 8 of the Senior Facility Agreement (*Existing Indebtedness*) and Schedule 8 of the Mezzanine Facility Agreement (*Existing Indebtedness*).

"Facilities" means the Mezzanine Facility and the Senior Facility; and **"Facility"** means either of them as the context requires.

"Facility Agent" means WestLB AG, London Branch.

"Finance Documents" means each of the Senior Finance Documents, the Mezzanine Finance Documents, the Revolving Facility Documents, the Hedging Documents, the Intercompany Documents and the Investor Documents.

"Finance Lease" means any lease, hire agreement, credit sale agreement, hire purchase agreement, conditional sale agreement or instalment sale and purchase agreement that should be treated as a finance lease or in the same way as a finance lease in accordance with GAAP.

"Finance Parties" means the Mandated Lead Arranger, the Facility Agent, the Mezzanine Agent, the Security Trustee, each Lender, and each Hedging Bank; and **"Finance Party"** means any of them.

"Fixtures" means, in respect of each Obligor, in relation to any freehold, heritable or leasehold property charged by or pursuant to the Guarantee and Debenture or any Standard Security, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery from time to time thereon owned by such Obligor.

"GAAP" has the same meaning as **"Approved GAAP"**

"Group" means the Parent and its Subsidiaries from time to time; and **"Group Company"** and **"member of the Group"** shall mean any one of them.

"Guarantors" means, collectively, each of the Original Obligors and each Additional Guarantor; and **"Guarantor"** shall be a reference to any one of them.

"Hedging Agreement" means the Original Hedging Agreement and any agreement entered into by a Group Company with a Hedging Bank for the purpose of hedging interest rate or foreign exchange risk in relation to the Senior Facility or (as the case may be) the Mezzanine Facility, in each case, pursuant to the Agreed Hedging Strategy.

"Hedging Bank" means the Primary Hedging Banks and each bank or financial institution named in Schedule 4 of the Security Trust Deed (if any) and any other bank or financial institution which becomes a party to the Security Trust Deed as a Hedging Bank under Clause 5.1 of the Security Trust Deed (*Accession of Hedging Banks*) in each case in its capacity as provider of interest rate swap or other hedging facilities to any of the Obligors.

"Hedging Debt" means all present and future liabilities (actual or contingent) payable or owing by any Obligor to any Hedging Bank under or in connection with the Hedging Documents, whether or not matured and whether or not liquidated, together with any Additional Debt payable or owing to any Hedging Bank.

"Hedging Document" means the Primary Hedging Documents and each master agreement, confirmation or other document evidencing any interest rate or other hedging facility provided by a Hedging Bank to an Obligor, which facility is specified in Schedule 4 of the Security Trust Deed (*Hedging Banks and Hedging Documents*) or has been approved by the Senior Agent and the Mezzanine Agent under Clause 5.1 of the Security Trust Deed (*Accession of Hedging Banks*) and each other Finance Document pursuant to which such facility is secured or guaranteed (collectively, the **"Hedging Documents"**).

"Hedging Strategy Letter" means the letter dated 7 March 2003 between, *inter alios*, the Parent, the Senior Agent and the Mezzanine Agent relating to the Agreed Hedging Strategy.

"Indebtedness" means, in relation to any person, any indebtedness for or otherwise in respect of or pursuant to:

- (a) moneys borrowed or raised, including moneys raised by the sale of receivables or other financial assets on terms (and to the extent) that recourse may be had to the vendor by reason of non payment of such receivables or financial assets when due and monies raised under acceptance credit facilities and through the issue of bonds, notes, debentures, bills, loan stocks and other debt securities (including any debt security convertible, but not at the relevant time converted, into share capital), and debit balances at financial institutions;
- (b) the acquisition cost of assets or services to the extent payable on deferred payment terms after the time of acquisition or possession thereof by the party liable (whether or not evidenced by any bond, note, debenture, loan stock or other debt security), excluding (i) retentions which are normal in the trade concerned and not entered into primarily as a means of raising finance, and (ii) any such cost payable on deferred payment terms which are normal in the business concerned, in each case which do not involve any deferral of payment of any sum for more than six months;
- (c) any share in the Parent or any other member of the Group which is not held by another member of the Group and which by its terms (or by the terms of any security

into which it is convertible or for which it is exchangeable, in each case at the option of the holder of that security) or upon the happening of any event matures or is mandatorily redeemable or is redeemable at the option of its holder in whole or in part on or prior to the Senior Discharge Date, but only to the extent convertible, exchangeable or redeemable;

- (d) moneys received in consideration for the supply of goods and/or services to the extent received more than sixty days before the due date for such supply (but excluding *bona fide* advance payments and deposits received from customers in the ordinary course of trade);
- (e) instalments under conditional sale agreements entered into primarily as a method of raising finance or any other transaction (including any forward sale or purchase agreement and any sale and sale back, sale and lease back or deferred purchase arrangement) which has the commercial effect of borrowing;
- (f) payments under leases, hire purchase agreements and other agreements, in each case where such leases or agreements are treated as Finance Leases in accordance with Approved GAAP;
- (g)
 - (i) any guarantee, indemnity, letter of credit or other legally binding instrument to assure payment of, or against loss in respect of non payment of, any of the indebtedness specified in this definition and any counter-indemnity in respect of any thereof; and/or
 - (ii) any legally binding agreement or other instrument entered into in connection with any of the indebtedness specified in this definition requiring, or giving any person the right (contingently or otherwise) to require, that any other person invest in, make advances to, purchase assets of or maintain the solvency or financial condition of any other person; and
- (h) any interest rate and/or currency swap, and any other interest or currency protection, hedging or financial futures transaction or arrangement calculated as its marked to market value,

and so that, where the amount of Indebtedness falls to be calculated, no amount shall be taken into account more than once in the same calculation.

"Indemnified Party" shall have the meaning given to that term in Clause 22.21 (*Indemnity from Property Held on Trust*) of the Senior Facility Agreement or, after the Priority Creditor Discharge Date, in Clause 22.21 (*Indemnity from Property Held on Trust*) of the Mezzanine Facility Agreement.

"Insolvency" means the winding-up, bankruptcy, liquidation, dissolution, administration, special administration, receivership, administrative receivership or re-organisation of any Obligor, any moratorium or judicial composition in respect of any Obligor or any analogous proceedings affecting any Obligor in any jurisdiction outside England and Wales.

"Insurances" means, in respect of each Obligor, all contracts and policies of insurance (including, for the avoidance of doubt, all cover notes) of whatever nature which are, from

time to time, taken out by or on behalf of such Obligor or (to the extent of such interest) in which such Obligor has an interest.

"Intellectual Property Rights" means all know-how, patents, trade marks, service marks, designs, utility models, business names, domain names, topographical or similar rights, copyrights, moral rights, inventions, confidential information and other intellectual property monopoly rights and any interests (including by way of licence) subsisting anywhere in the world in any of the foregoing (in each case whether registered or not and including all applications for the same).

"Intercompany Debt" means all present and future Indebtedness (actual or contingent) payable or owing by any Obligor to any other obligor whether or not matured and whether or not liquidated, together in each case with any Additional Debt payable or owing by an Obligor to another Obligor, but excluding any trading liabilities arising in the ordinary course of trading.

"Intercompany Debtor" means any Obligor by whom any Intercompany Debt may from time to time be payable or owing (whether or not matured).

"Intercompany Documents" means any and all agreements and instruments evidencing any Borrowings from time to time made available by one Obligor to another Obligor or pursuant to which any such Indebtedness are guaranteed or secured, as novated, varied, supplemented or amended from time to time.

"Intercompany Loan Agreements" means (a) the Intra-Group Loan Agreement (Incorporating Letter of Support) dated 7 March 2003, between the members of the Group named therein as lenders and the members of the Group named therein as borrowers and pursuant to which, *inter alia*, amounts are loaned to facilitate the making of principal and interest payments (to the extent otherwise permitted under the terms of the Senior Facility Agreement) on the Senior Facility and the Mezzanine Facility, and (b)(i) the Intra-Group Loan Agreement dated 7 March 2003 in the original principal amount of £114,873,000, between DDB-Co as lender and the Original Borrower as borrower, (ii) the Intra-Group Loan Agreement dated 7 March 2003 in the original principal amount of £70,890,099, between the Original Borrower as lender and Odeon Group as borrower and (iii) the Intra-Group Loan Agreement dated 7 March 2003 in the original principal amount of £1,007,100, between the Parent as lender and DDB-Co as borrower, in each case pursuant to which, *inter alia*, the proceeds of the Mezzanine Facility and the Shareholder Notes are on-lent as provided therein.

"Investment Agreement" means the investment and shareholders' agreement in the agreed form entered or to be entered into by, *inter alios*, WestLB AG, London Branch, the RT Investors, the Entertainment Investors, the Parent and certain of Management.

"Investor Debt" means all present and future liabilities (actual or contingent) payable or owing by any Obligor to any of the Investors (a) under or in connection with the Investor Documents (including, without limitation, any dividends on or in respect of any shares of the Parent), (b) in respect of any advisory, monitoring or management fee, or (c) in respect of any claim for misrepresentation or breach of undertaking under or in connection with the Investor Documents, in each case whether or not matured and whether or not liquidated, and together with any Additional Debt payable or owing to the Investors.

"Investor Documents" means:

- (a) the memorandum and articles of association of the Parent;
- (b) the Investment Agreement (and any related fee letter);
- (c) the Shareholder Note Documents; and
- (d) the Security Trust and Intercreditor Deed.

"Investors" means investment funds managed or advised by, or affiliated companies of, each of WestLB, the RT Investors and the Entertainment Investors, and any other person from time to time having an equity interest in the Parent.

"Investor Vendors" means the entities listed in Part A of Schedule 2 to the Acquisition Agreement.

"Jersey Charge Over Accounts" means the Security Interest Agreement (Assignment of Bank Accounts) dated 7 March 2003 between Odeon Jersey and the Security Trustee (for the benefit of the Secured Parties named therein).

"Jersey Mortgage" means the Acknowledgement of Indebtedness dated 7 March 2003 between Odeon Jersey and the Security Trustee (for the benefit of the Secured Parties named therein).

"Jersey Share Pledge" means (a) the Security Interest Agreement (Securities) dated 7 March 2003 between Odeon Jersey and the Security Trustee (for the benefit of the Secured Parties named therein) and (b) the Security Interest Agreement (Securities) dated 7 March 2003 between Castle Property Acquisition Co (Cayman) Limited and the Security Trustee (for the benefit of the Secured Parties named therein).

"Lenders" means the Original Lender to the extent of its Commitment in its respective Facility and any Transferee to whom rights and/or obligations are or have been assigned or transferred in accordance with Clause 25 of the Senior Facility Agreement (*Changes to the Lenders*) or (as the case may be) Clause 25 of the Mezzanine Facility Agreement (*Changes to the Lenders*) (until, in each case, its entire Commitment in the relevant Facility has been assigned or transferred in accordance with Clause 25 of the Senior Facility Agreement or (as the case may be) Clause 25 of the Mezzanine Facility Agreement), and such persons shall be collectively referred to as the **"Lenders"**.

"Majority Lenders" means, at any time, Lenders whose Commitments in aggregate represent more than 66⅔% of the Total Commitments; and if the Total Commitments have been reduced to zero, Lenders whose Commitments in aggregate represented more than 66⅔% of the Total Commitments immediately before the reduction.

"Management" means each and all of Richard Segal, Steve Gosling, Barry Keward, Amanda Steel, Stuart Friday, Peter Ford, Tom Allison, John Fordham and Ron Hanlon.

"Management Vendors" means the entities listed in Part B of Schedule 2 to the Acquisition Agreement.

“Mandated Lead Arranger” means WestLB AG, London Branch with respect to the Senior Facility Agreement and Lehman Brothers Europe Limited with respect to the Mezzanine Facility Agreement.

“Mezzanine Agent” means Storm Funding Limited in its capacity as facility agent for the Mezzanine Creditors under the Mezzanine Finance Documents.

“Mezzanine Creditor” means Storm Funding Limited in its respective capacity under and as defined in the Mezzanine Facility Agreement as Lender, Arranger, Mezzanine Agent and (after the Priority Creditor Discharge Date) the Security Trustee, and any successor, transferee, replacement or assignee of any of the above.

“Mezzanine Debt” means all present and future liabilities (actual or contingent) payable or owing by any Obligor to any Mezzanine Creditor under or in connection with any Mezzanine Finance Document, whether or not matured and whether or not liquidated, together with any Additional Debt owing to the Mezzanine Creditors.

“Mezzanine Facility” has the meaning given to the term **“Facility”** in the Mezzanine Facility Agreement.

“Mezzanine Facility Agreement” means the mezzanine bridge facility agreement providing for a £40,000,000 mezzanine bridge loan facility dated 7 March 2003, *inter alios*, Castle Equity Co Limited, Lehman Brothers International (Europe) Limited as Mandated Lead Arranger, Storm Funding Limited as Original Lender and Mezzanine Agent and WestLB AG, London Branch as Security Trustee as supplemented, amended and restated from time to time.

“Mezzanine Finance Documents” means the Mezzanine Facility Agreement and each other document falling within the definition of “Mezzanine Finance Document” in the Mezzanine Facility Agreement, but excluding the Hedging Documents, provided that no further document (other than a security document securing both Mezzanine Debt and Senior Debt entered into in compliance with the terms of this Deed and documents supplemental to the existing 'Finance Documents' (as so defined) which do not make material variations thereto or waivers of the terms thereof) shall be designated as such a Finance Document prior to the Priority Creditor Discharge Date without the prior written consent of the Senior Agent.

“Mezzanine Hedging Bank” means each bank and financial institution named in Schedule 4 of the Security Trust Deed (if any) under “Mezzanine Hedging” and any bank or financial institution which becomes a party to the Security Trust Deed as a Mezzanine Hedging Bank under Clause 5.1 (*Accession of Hedging Banks*) therein.

“Mezzanine Hedging Debt” means Hedging Debt under any Mezzanine Hedging Document.

“Mezzanine Hedging Document” means each master agreement, confirmation or other document evidencing any interest rate or other hedging facility provided by a Hedging Bank to an Obligor, which facility is specified in Schedule 4 of the Security Trust Deed under “Mezzanine Hedging” or has been approved by the Senior Agent and the Mezzanine Agent in respect of a Mezzanine Hedging Bank under Clause 5.1 of the Security Trust Deed (*Accession of Hedging Banks*) and each other Finance Document pursuant to which such facility is secured or guaranteed.

"Mezzanine Interest Reserve Account" has the meaning given to it in the Security Trust Deed.

"Mezzanine Lender" means Storm Funding Limited.

"Material Company" means:

- (i) the Target and each Obligor; and
- (j) any other member of the Group whose
 - (i) EBITDA represents 5% or more of the EBITDA of the Group;
 - (ii) gross assets represents 5% or more of the gross assets of the Group;
 - (iii) turnover represents 5% or more of the turnover of the Group,

provided that, in relation to the provision of security and/or guarantees, (i) the aggregate EBITDA, gross assets or turnover of Subsidiaries which are not Material Companies shall not exceed 10% (the **"Non-Material Company Percentage"**) of the total EBITDA, gross assets or turnover of the Group and (ii) (for the purposes only of ensuring that at all times the Lenders have the benefit of security and/or guarantees from the requisite Obligors) if at any time the Non-Material Company Percentage in respect of any of the same shall be exceeded the Facility Agent and the Obligors' Agent (each acting reasonably) shall determine which Subsidiary not then being a Material Company shall become a Material Company in order that the test set out in this sentence is satisfied.

"Obligations" means the Advances and all other amounts, obligations, covenants and duties owing by the Obligors (or any one or more of them) to a Finance Party, any Affiliate of any of them or any Indemnified Party, of every type and description (whether by reason of an extension of credit, loan, guaranty, indemnification, foreign exchange or currency swap transaction, interest rate hedging transaction or otherwise), present or future, arising under the Senior Facility Agreement, the Mezzanine Facility Agreement, any other Finance Document and any Hedging Agreement with a Finance Party or its Affiliates (but not otherwise), whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired and whether or not evidenced by any note, guaranty or other instrument or for the payment of money, and includes all fees, interest, charges, expenses, attorneys' fees and disbursements and other sums chargeable to the Obligors (or any of them) under the Senior Facility Agreement, the Mezzanine Facility Agreement, any other Finance Document and any Hedging Agreement (but not otherwise).

"New Obligor" has the meaning given to it in Clause 23.3 of the Security Trust Deed (*New Obligors*).

"Obligor" means each Original Obligor and each other company which becomes a party to the Guarantee and Debenture by executing a Security Accession Deed.

"Obligors' Agent" means Castle Equity Co Limited, a company organised under the laws of England and Wales with registered number 4676572.

"Opco" means Castle Operational Co Limited, a limited liability company organised under the laws of England and Wales with registered number 4676627.

"Original Borrower" means Castle Bridge Co Limited, a company organised under the laws of England and Wales with registered number 4676602.

"Original Hedging Agreement" means (a) the confirmation dated 7 March 2003 evidencing an interest rate swap transaction between WestLB and Odeon Holdings and the related master agreement and schedule and (b) the confirmation dated on or about the date hereof evidencing an interest rate swap transaction between Lehman Brothers Special Financing Inc and Odeon Holdings and the related master agreement and schedule, in respect of an aggregate notional amount of £260,000,000.

"Original Lender" means with respect to the Senior Facility, WestLB, London Branch and with respect to the Mezzanine Facility, Storm Funding Limited.

"Original Obligor" means the Castle Equity Co Limited, Castle DDB Co Limited, Castle Bridge Co Limited, Castle Acquisition Co Limited, Castle Operational Co Limited, and Castle Property Acquisition Co (Cayman) Limited.

"Parent" means Castle Equity Co Limited, a company incorporated under the laws of England and Wales (Company No. 4676572).

"Permitted Encumbrances" means:

- (a) any Encumbrance arising under, or constituted by, the Security Documents;
- (b) The following two encumbrances:
 - (i) Rent Deposit Deed dated 19 November 1996 securing performance and observance by ABC Cinemas to pay rent and perform the other covenants and conditions in a lease dated 19 April 1994 between Clydesdale Bank plc, MGM Estates Limited and MGM Cinema Properties Limited. The property charged is the sum of £19,500 or further monies that may become due under such rent deposit deed. Clydesdale Bank plc is the person entitled to the charge; and
 - (ii) Rent Deposit Deed dated 11 June 1996 securing all monies owing to the landlord under a lease dated 16 April 1970. The property charged is the sum of £37,500 plus interest. Kestrel Properties Limited is the person entitled to the charge;
- (c) any Encumbrance existing as at the date hereof details of which are set out in Schedule 9 (*Existing Encumbrances*) of the Senior Facility Agreement or (as the case may be) Schedule 9 (*Existing Encumbrances*) of the Mezzanine Facility Agreement;
- (d) any Encumbrance arising in the ordinary course of business by operation of law;
- (e) any rights of set-off or netting arising in the ordinary course of business including in ordinary banking arrangements;
- (f) Encumbrances consisting of any retention of title to goods supplied to any member of the Group where such retention of title is required by the relevant supplier in the

ordinary course of its trading activities and on customary terms and the goods in question are provided on credit terms such credit terms not to exceed 60 days from the date on which such goods were supplied;

- (g) Encumbrances for Taxes not yet due or contested in good faith;
- (h) Encumbrances over (i) assets acquired by members of the Group and existing at the date of their acquisition, but not created in contemplation of their acquisition, and (ii) assets of any company which become a member of the Group after the Closing Date, where the relevant Encumbrance is created prior to the date on which such company becomes a member of the Group and not in contemplation of their acquisition; *provided that* (a) the principal amount secured thereby shall not be increased beyond that existing at the date of the acquisition of such assets, and (b) all such Encumbrances shall be released and discharged within six months from the date of acquisition of such assets;
- (i) any Encumbrance in favour of a bank over goods and documents of title to goods arising in the ordinary course of documentary credit transactions entered into in the ordinary course of trade;
- (j) Encumbrances (except floating charges) arising under Finance Leases permitted under the Senior Facility Agreement or the Mezzanine Facility Agreement and only to the extent such Encumbrances are granted by the relevant member of the Group over assets comprised within or constituted by such Finance Leases; and
- (k) Encumbrances securing Permitted Indebtedness the amount of which (when aggregated with the amount of any other Indebtedness which has the benefit of an Encumbrance not allowed under the preceding paragraphs (a) to (i) (inclusive) above) does not exceed £250,000 at any time.

“Permitted Indebtedness” means:

- (a) any Indebtedness arising under the Senior Finance Documents;
- (b) any Indebtedness arising under the Revolving Facility Documents;
- (c) any Indebtedness arising under the Mezzanine Facility Documents on the Securitisation (if permitted under Clause 15 of the Mezzanine Finance Agreement (*Securitisation*));
- (d) any Indebtedness arising under the Shareholder Notes;
- (e) any Indebtedness arising under Hedging Agreements;
- (f) any Indebtedness (i) between one Obligor and another Obligor and (ii) between a member of the Group which is not an Obligor and another member of the Group which is not an Obligor; *provided that* in the case of each Obligor, it is a party to the Security Trust Deed and a Guarantee and Debenture or other appropriate Security Document;
- (g) any Finance Leases subject to maximum amount not to exceed in aggregate £1,000,000;

- (h) Existing Indebtedness and (subject to the Facility Agent's prior written consent or, after the Priority Creditor Discharge Date, the Mezzanine Facility Agent's prior written consent (in each case not to be unreasonably withheld or delayed)) any refinancing thereof subject to such refinancing (A) being on materially similar terms to the Indebtedness being refinanced and not increasing nor extending the amount of Indebtedness presently available under such Existing Indebtedness which it is proposed to be refinanced, and (B) being on terms agreed by the Facility Agent or, after the Priority Creditor Discharge Date, by the Mezzanine Agent (in each case acting reasonably);
- (i) any Indebtedness of a company which becomes a member of the Group after the Closing Date, where such Indebtedness is created prior to the date on which such company becomes a member of the Group; *provided that*:
 - (i) such Indebtedness was not created in contemplation of the acquisition of such company;
 - (ii) such Indebtedness has not been increased since the date of the acquisition of such company; and
 - (iii) such Indebtedness is repaid or discharged in full within six months after the date of such company becoming a member of the Group; and

any Indebtedness (other than Indebtedness referred to in paragraphs (a) to (i) (inclusive) above) not exceeding at any time in aggregate £500,000.

"Premises" means all buildings and erections for the time being comprised within the Charged Assets.

"Primary Hedging Banks" means:

- (j) each of WestLB AG, London Branch and Lehman Brothers Special Financing Inc in their capacity as parties to the Primary Hedging Documents; and
- (k) any bank or financial institution which becomes a party to the Security Trust Deed as a Primary Hedging Bank under Clause 5.1 of the Security Trust Deed (*Accession of Hedging Banks*).

"Primary Hedging Debt" means the Hedging Debt under the Primary Hedging Documents.

"Primary Hedging Documents" means:

- (a) the confirmation dated on or about the date hereof evidencing an interest rate swap transaction between WestLB AG, London Branch and Odeon Cinemas Holdings Limited and the related master agreement and schedule and the confirmation dated 7 March 2003 evidencing an interest rate swap transaction between Lehman Brothers Special Financing Inc and Odeon Cinemas Holdings Limited and the related master agreement and schedule, in respect of an aggregate notional amount of £260,000,000; and
- (b) each master agreement, confirmation or other document evidencing any interest rate or other hedging facility provided by a Primary Hedging Bank to an Obligor which

has been approved by the Senior Agent and the Mezzanine Agent in respect of a Primary Hedging Bank under Clause 5.1 of the Security Trust Deed (Accession of Hedging Banks), and each other Finance Document pursuant to which such facility is secured or guaranteed.

"Priority Creditor Discharge Date" means the date on which all of the Priority Debt has been irrevocably paid and discharged and all Commitments of the Senior Creditors, any commitment of the Revolving Lender under the Revolving Facility Documents, and all obligations of the Primary Hedging Banks and the Senior Hedging Banks under the Hedging Documents have been terminated and as contemplated by paragraph 12(f) of Schedule 8 of the Security Trust Deed, the Security Trustee has been replaced in a manner and on terms reasonably satisfactory to the Security Trustee.

"Priority Creditors" means the Primary Hedging Banks, the Revolving Lender, the Senior Creditors and the Senior Hedging Banks.

"Priority Debt" means any or all of the Revolving Lender Debt (excluding the Excess Revolving Lender Debt), the Primary Hedging Debt, the Senior Debt (excluding the Excess Senior Debt) and the Senior Hedging Debt.

"Realisations Account" means each account maintained from time to time by the Security Trustee for the purposes of Clause 12.6 of the Guarantee and Debenture (*Contingencies*) at such branch of the Account Bank as the Security Trustee may from time to time approve.

"Receiver" means an administrative receiver, a receiver and manager or other receiver appointed pursuant to the Guarantee and Debenture.

"Related Rights" means, in relation to shares, stocks or any other securities, all dividends, interest or other distributions paid or payable in relation thereto and all shares, stocks, securities (and the dividends, interest or income therefrom or thereon) rights, moneys or property accruing or acquired at any time and from time to time by way of redemption, purchase, substitution, exchange, bonus or preference, pursuant to option rights or otherwise to or in respect of or derived therefrom or from any derivatives thereof.

"Relevant Documents" means the Acquisition Documents, the Hedging Agreement, the Intercompany Loan Agreements and the Investor Documents.

"Revolving Credit Facility" means the £10,000,000 overdraft and working capital facility dated the Closing Date made available to the Target and certain of its Subsidiaries under the Revolving Facility Agreement (or any renewal, replacement or extension of such facility for the same or smaller amount).

"Revolving Facility Agreement" means the £10,000,000 revolving facility agreement dated 7 March 2003 between, *inter alios*, the Target and certain of its Subsidiaries, as borrowers, and The Royal Bank of Scotland plc, acting as an agent for National Westminster Bank PLC, as the lender.

"Revolving Facility Documents" means the Revolving Facility Agreement and all other documents relating to the establishment of and borrowing under the Revolving Facility Agreement.

"Revolving Lender Debt" means all present and future liabilities (actual or contingent) payable or owing by any Obligor to the Revolving Lender under or in connection with the Revolving Facility Documents, whether or not matured and whether or not liquidated, together with any Additional Debt owing to the Revolving Lender.

"Revolving Lender" means The Royal Bank of Scotland plc (as agent for National Westminster Bank plc) in its capacity as lender under the Revolving Facility Agreement.

"RT Investors" means (a) Brookwall Investments Limited, an international business corporation organised under the laws of the British Virgin Islands with registered number 525840 and (b) Hackremco (No. 2000) Limited, a private limited company organised under the laws of England and Wales with registered number 4523629.

"Secured Creditor" means the Revolving Lender, the Primary Hedging Banks, a Senior Creditor, a Senior Hedging Bank, a Mezzanine Creditor or a Mezzanine Hedging Bank, as the context requires (together the **"Secured Creditors"**).

"Secured Party" and **"Secured Parties"** has the meaning given to the term **"Secured Creditor"**.

"Securitisation Mandate Letter" means the Securitisation Mandate Letter dated on or about the Closing Date from Lehman Brothers Europe Limited (or its Affiliate) and WestLB AG, London Branch (or its Affiliate), to the Parent, DDB-Co, the Original Borrower, Castle Property Acquisition Co (Cayman) Limited and OpCo.

"Securitisation" has the meaning given to that term in the Securitisation Mandate Letter.

"Security Accession Deed" means a deed of accession to the Guarantee and Debenture.

"Security Accounts" means the Collateral Accounts and the Realisations Accounts.

"Security Documents" means each document identified below, and any other documents entered into from time to time providing for a guarantee or Encumbrance in favour of the Finance Parties (or any of them) in respect of the Obligations of the Obligors under the Finance Documents, and any other documents designated as Security Documents by the Facility Agent or, after the Priority Creditor Discharge Date, the Mezzanine Agent and the Security Trustee:

- (i) The Security Trust Deed executed by, *inter alios*, the holders of Indebtedness of the members of the Group (including in respect of the Mezzanine Facility, the Revolving Credit Facility and the Shareholder Notes), and the other parties thereto, in the agreed form.
- (ii) The Guarantee and Debenture executed by the Original Obligors, in the agreed form (or such other form as the Facility Agent or, after the Priority Creditor Discharge Date, the Mezzanine Agent, and the Obligors' Agent may agree (each acting reasonably)), together with completed stock transfer forms in respect of all share pledges related thereto.
- (iii) The Guarantee and Debenture executed by the Additional Obligors, in the agreed form (or such other form as the Facility Agent or, after the Priority

Creditor Discharge Date, the Mezzanine Agent, and the Obligors' Agent may agree (each acting reasonably)), together with completed stock transfer forms in respect of all share pledges related thereto.

- (iv) The Jersey Share Pledge executed by Odeon Holdings in respect of the entire share capital of Odeon Jersey, together with completed stock transfer forms in respect thereof.
- (v) The Jersey Charge over Bank Accounts executed by Odeon Jersey.
- (vi) The Jersey Mortgage executed by Odeon Jersey in respect of the freehold property at Bath Street, St. Helier, Jersey.
- (vii) The Standard Security executed in respect of all properties situated in Scotland.
- (viii) Accession Agreements executed in the form prescribed herein by each of Target and the other Material Companies facilitating the accession of such companies as Borrowers and/or Guarantors under the Senior Facility Agreement or (as the case may be) the Mezzanine Facility Agreement or the applicable Security Documents and Security Trust Deed.
- (ix) A copy of all notices required to be served by each Obligor under the Security Documents to which it is a party.
- (x) The Jersey Share Pledge executed by Castle Property Acquisition Co (Cayman) Limited in respect of the entire share capital of Castle Property Acquisition Co Limited (Jersey), together with completed stock transfer forms in respect thereof.

"Security Trust Deed" means the Security Trust Deed dated 7 March 2003 among, *inter alios*, the Security Trustee, each Original Obligor, each Additional Obligor, the Lenders, the Mezzanine Lender, the Shareholder Noteholders, the Revolving Lender and the Facility Agent.

"Security Trustee" means WestLB AG, London Branch in its capacity as agent and trustee for the Secured Creditors of the security conferred under the Security Documents, and any sub-agent, sub-trustee or custodian appointed by it.

"Senior Agent" means WestLB AG, London Branch in its capacity as facility agent for the Senior Creditors under the Senior Facility Agreement.

"Senior Creditor" means WestLB AG, London Branch in its respective capacity under the Senior Facility Agreement as Lender, Arranger, Senior Agent and (until the Priority Creditor Discharge Date) as Security Trustee; and any successor, transferee, replacement or assignee of any of the above.

"Senior Debt" means all present and future liabilities (actual or contingent) payable or owing by any Obligor to any Senior Creditor under or in connection with the Senior Finance Documents, whether or not matured and whether or not liquidated, together with any Additional Debt owing to the Senior Creditors.

"Senior Facility" has the meaning given to the term **"Facility"** in the Senior Facility Agreement.

"Senior Facility Agreement" means the Facility Agreement of even date herewith between, inter alios, BridgeCo, the Parent and WestLB AG, London Branch and others providing for a senior bridge loan facility of £290,000,000.

"Senior Finance Documents" means the Senior Facility Agreement and each other document falling within the definition of "Finance Document" in the Senior Facility Agreement, but excluding the Hedging Documents, provided that no further document (other than a security document securing both Mezzanine Debt and Senior Debt entered into in compliance with the terms of the Security Trust Deed and documents supplemental to the existing 'Senior Finance Documents' (as so defined) which do not make material variations thereto or waivers of the terms thereof) shall be designated a Finance Document prior to the Priority Creditor Discharge Date without the prior written consent of the Mezzanine Agent.

"Senior Hedging Bank" means each bank and financial institution (if any) named in Schedule 4 of the Security Trust Deed under "Senior Hedging" and any bank or financial institution which becomes a party to the same as a Senior Hedging Bank under Clause 5.1 (*Accession of Hedging Banks*) therein.

"Senior Hedging Debt" means Hedging Debt under any Senior Hedging Document.

"Senior Hedging Document" means each master agreement, confirmation or other document evidencing any interest rate or other hedging facility provided by a Hedging Bank to an Obligor, which facility is specified in Schedule 4 of the Security Trust Deed under "Senior Hedging" or has been approved by the Senior Agent and the Mezzanine Agent in respect of a Senior Hedging Bank under Clause 5.1 of the Security Trust Deed (*Accession of Hedging Banks*), and each other Finance Document pursuant to which such facility is secured or guaranteed.

"Senior Lender" means WestLB AG, London Branch

"Service Agreements" means the service agreements to be executed by each of Richard Segal, Steven Gosling, Barry Keward and Ronald Hanlon with the Target on or about the Closing Date.

"Shareholder Note Documents" means (a) the DDB Instrument of Castle DDB Co Limited constituting £113,865,900 unsecured deep discount bonds 2003, (b) the Management Loan Note Instrument of Castle DDB Co Limited constituting £991,000 unsecured loan notes and (c) any other document in the agreed form evidencing or regulating the terms of the Shareholder Notes and any other agreement or document that may be entered into or executed pursuant thereto or in connection therewith, in each case in the agreed form.

"Shareholder Noteholders" means each of the Managers and Investors (as defined in the applicable Shareholder Note Document) issued Shareholder Notes pursuant to the Shareholder Note Documents.

"Shareholder Notes" means the subordinated unsecured deep discount bonds and loan notes issued on the Closing Date in an aggregate original issue principal amount of £114,856,900 by DDB-Co and subscribed for by the Shareholder Noteholders in cash.

“Standard Security” means each standard security in terms of the Conveyancing and Feudal Reform (Scotland) Act 1970 granted over a Scottish Property pursuant to Clause 4.4 of the Guarantee and Debenture (*Scottish Property*) or to any Security Accession Deed (or over any other property situated in Scotland), substantially in the form set out in Schedule 6 to the Guarantee and Debenture.

“Sterling” and **“£”** means the lawful currency for the time being of the United Kingdom.

“Subsidiary” means any subsidiary within the meaning of section 736 of the Companies Act 1985, as amended by section 144 of the Companies Act 1989; and unless the context otherwise requires, any subsidiary undertaking within the meaning of section 21 of the Companies Act 1989.

“Target” means Odeon Limited, a limited liability company incorporated in England and Wales with registered number 3879590.

Target Shares” means 100% of the share capital and other equity interests in the Target being acquired by the Castle Property Acquisition Co (Cayman) Limited pursuant to the Acquisition Documents.

“Taxes” means all income and other taxes and levies, imposts, duties, charges, fees, deductions and withholdings in the nature or on account of tax together with interest thereon and penalties with respect thereto, if any, and any payments made on or in respect thereof; and **“Tax”** and **“Taxation”** shall be construed accordingly.

“Total Commitments” means, at any time, the aggregate of all the Commitments at that time.

“Transferee” means a person to whom a Lender transfers or assigns (or, as the context may require, seeks to transfer or assign) all or part of its rights, benefits and obligations hereunder.

“Transfer Certificate” means a certificate substantially in the form set out in Schedule 5 (*Form of Transfer Certificate*) of the Senior Facility Agreement or (as the case may be) in Schedule 5 of the Mezzanine Facility Agreement (*Form of Transfer Certificate*), or any other form agreed between the Senior Facility Agent or (as the case may be) the Mezzanine Agent and the Obligor’s Agent.

“Vendor” means each of the Investor Vendors and the Management Vendors (each term as defined in the Acquisition Agreement) whose names are set out in column 1 of Parts A and B of Schedule 2 (*The Vendors*) of the Acquisition Agreement.

SCHEDULE 1

PART 1: ENGLISH GROUP SHARES

Obligor	Name of Company in which the Shares are held	Class of Shares held	Number of Shares held
Castle Equity Co Limited	Castle DDB Co Limited	Ordinary	1 share of par value £0.001
Castle DDB Co Limited	Castle Bridge Co Limited	Ordinary	1 share of par value £0.001
Castle Bridge Co Limited	Castle Acquisition Co Limited	Ordinary	1 share of par value £0.001
Castle Bridge Co Limited	Castle Operational Co Limited	Ordinary	1 share of par value £0.001

PART 2: CAYMAN GROUP SHARES

Obligor	Name of Company in which the Shares are held	Class of Shares held	Number of Shares held
Castle Bridge Co Limited	Castle Property Acquisition Co (Cayman) Limited	Ordinary	1 share of par value US\$0.01
		B Ordinary	13,920 shares of par value US\$1.00

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04676602

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A GUARANTEE AND DEBENTURE DATED THE 7th MARCH 2003 AND CREATED BY CASTLE BRIDGE CO LIMITED FOR SECURING ALL PRESENT AND FUTURE OBLIGATIONS AND LIABILITIES DUE OR TO BECOME DUE FROM ANY OBLIGOR TO WESTLB AG, LONDON BRANCH AS SECURITY TRUSTEE FOR THE SECURED PARTIES (THE "SECURITY TRUSTEE") 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 26th MARCH 2003.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 28th MARCH 2003.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —

R. Dan