

# M

## COMPANIES FORM No. 395

### Particulars of a mortgage or charge

139667-78

# 395

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

CHFP025

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

14

5433486

Name of company

\* Direct Group Investment Limited (the **Company**)

Date of creation of the charge

03 August 2007

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

Debenture dated 03 August 2007 made between Direct Newco Limited (**Parent**) (1), the Company (2) and Barclays Bank PLC as security trustee for the Finance Parties (**Security Trustee**) (3) (the **Debenture**)

Amount secured by the mortgage or charge

All moneys and liabilities on or after the date of the Debenture due, owing or incurred by the Company to the Finance Parties (or any of them) under the Finance Documents (or any of them) in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such moneys and liabilities and all costs, charges and expenses incurred by any Finance Party under any Finance Document, except for any obligations which, if it were included in the Debenture, would result in a contravention of section 151 of the Companies Act 1985, or its equivalent in any other jurisdiction (**Secured Obligations**)

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

Barclays Bank PLC, 1 Marsden Street, Manchester

Postcode M2 1HW

Presentor's name address and reference (if any)

Addleshaw Goddard LLP  
Sovereign House  
Sovereign Street  
Leeds  
LS1 1HQ

ELLIEA 1173-527 1980125

Time critical reference

For official Use (06/2005)  
Mortgage Section

Post room

WEDNESDAY



A23 \*A7X5SS47\* 15/08/2007 709  
COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

All Security created by the Company under the Debenture is

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

Please see continuation sheet

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 Addleshaw Goddard LLP Date 14 August 2007

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

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

† delete as  
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395) If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398) A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No 398 is submitted
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given
- 3 In this section there should be inserted the amount or rate per cent of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his,
  - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
  - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return The rate of interest payable under the terms of the debentures should not be entered
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet
- 5 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

Name of company

\*insert full name  
of Company

\* Direct Group Investment 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 description 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) First legal mortgages**

The Company charges by way of first legal mortgage

(a) the Properties,

(b) all other interests and estates in freehold, leasehold or commonhold property,

and, in each case, all Premises and Fixtures on such property for the time being

**2) Assignments**

The Company assigns

(a) the Relevant Agreements to which it is a party, and

(b) the Relevant Policies to which it is a party

The Company shall remain liable to perform all its obligations under the Relevant Agreements and the Relevant Policies to which it is a party

**3) First fixed charges**

The Company charges by first fixed charge other than specific assets effectively charged by way of legal mortgage or assigned under clause 1 or clause 2 above

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- (a) all other interests and estate in any freehold, leasehold or commonhold property,
- (b) the proceeds of sale of its Secured Property and all licences to enter on or use any Secured Property,
- (c) the benefit of all other agreements, instruments and rights relating to its Secured Property,
- (d) all plant, machinery, vehicles, computers, office and other equipment, all furniture, furnishings, equipment and tools and any removals or replacement of them, (together **Chattels**) present and future and the benefit of all contracts, licences, warranties, maintenance contracts relating to them and any renewals and replacements of them,
- (e) the Subsidiary Shares together with all Related Rights,
- (f) the Investments together with all Related Rights,
- (g) all book and other debts due to the Company and their proceeds (both collected and uncollected) (together **Debts**) and all rights, guarantees, security or other collateral in respect of the Debts (or any of them) and the benefit of any judgment or order to pay a sum of money and all rights to enforce the Debts (or any of them),
- (h) all moneys from time to time standing to the credit of each Blocked Account,
- (i) all moneys from time to time standing to the credit of each account held by the Company with any bank, building society, financial institution or other person other than any Blocked Account or any Excluded Account (each an **Account**),
- (j) all its Intellectual Property,
- (k) all its goodwill and uncalled capital,
- (l) the benefit of all Authorisations held or utilised by it in connection with its business or the use of any of its assets and the right to recover and receive compensation payable in respect of any of them, and
- (m) to the extent that any assignment in clause 3 is ineffective as an assignment, the assets referred to in that clause

**(4) Floating charge**

The Company charges by way of first floating charge all its assets and undertaking wherever located both at the date of the Debenture and in the future other than any assets effectively charged by way of legal mortgage or fixed charge or assigned under clauses 1, 2 or 3

**(5) Qualifying floating charge**

The Debenture contains a qualifying floating charge and paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by or under the Debenture

**(6) Conversion of floating charge to a fixed charge**

The Security Trustee may at any time by notice in writing to the Company convert the floating charge created under

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\* Direct Group Investment Limited (the Company)

the Debenture into a fixed charge as regards any Floating Charge Asset as it shall specify in the notice if

- (a) an Event of Default (as defined in the Facilities Agreement) is continuing,
- (b) an Event of Default or Termination Event (each as defined in the relevant Hedging Agreement) is continuing, or
- (c) in the opinion of the Instructing Party that Floating Charge Asset is in danger of being seized or any legal process or execution is being enforced against that Floating Charge Asset

**(7) Automatic conversion of floating charge to a fixed charge**

If

- (a) the Company creates or attempts to create any Security over any of its Floating Charge Assets,
- (b) any person levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset, or
- (c) any corporate action, legal proceedings or other procedures or steps are taken for the winding up, dissolution, administration or reorganisation of the Company,

the floating charge created by the Debenture will automatically and immediately without notice be converted into a fixed charge over the relevant assets or, in the circumstances described in paragraph (c) above, over all of the Floating Charge Assets

**(8) Negative Pledge**

The Company shall not create or permit to subsist any Security over any of its assets

The Company shall not

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Company or any other member of the Group,
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms,
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts, or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset

**(9) Further Assurance**

- (a) The Company shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require) in favour of the Security Trustee or its nominee(s)

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- (i) to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by the Debenture or for the exercise of any rights, powers and remedies of the Security Trustee or the Finance Parties provided by or pursuant to the Debenture or by law,
  - (ii) to confer on the Security Trustee or confer on the Finance Parties Security over any property and assets of the Company located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to the Debenture, and/or
  - (iii) (if an Event of Default (as defined in the Facilities Agreement) is continuing or an Event of Default or Termination Event (each as defined in the relevant Hedging Agreement) is continuing) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by or under the Debenture
- (b) The Company shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee or the Finance Parties by or pursuant to the Debenture

**(10) Receiver**

The Debenture contains a power for the Security Trustee to appoint a Receiver

**(11) Definitions**

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

**Blocked Account** means each Mandatory Prepayment Account and each Holding Account (as defined in the Facilities Agreement)

**Excluded Accounts** means the accounts detailed in schedule 10 (Excluded Accounts) of the Facilities Agreement

**Facilities Agreement** means the facilities agreement dated 03 August 2007 between the Parent, the Company, Direct Group Holdings Limited, Direct Group Limited and Direct Group Property Services Limited as Original Guarantors, Barclays Leveraged Finance as Arranger and Barclays Bank PLC as Original Lenders, Original Ancillary Lender, Original Hedge Counterparty, Agent and Security Trustee, under which the Lenders agree to make available to the Parent term loans (each as defined in the Facilities Agreement)

**Finance Document** means any of this Agreement, any Accession Deed, any Working Capital Facility Letter, any Fee Letter, any Hedging Agreement, the Intercreditor Deed, any Selection Notice, any Resignation Letter, any Security Document, any Utilisation Request and any other document designated as a Finance Document by the Agent and Direct Newco Limited (each as defined in the Facilities Agreement)

**Finance Party** means any of the Agent, the Arranger, the Security Trustee, each Lender, each Hedge Counterparty and each Ancillary Lender (each as defined in the Facilities Agreement)

**Financial Indebtedness** means any indebtedness for or in respect of

- (a) monies borrowed and debit balances at banks or other financial institutions

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\* Direct Group Investment Limited (the Company)

- (b) acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent)
- (c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument
- (d) the amount of any liability in respect of any Finance Leases (as defined in the Facilities Agreement)
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis)
- (f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account)
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the issuer) before 31 July 2016 or are otherwise classified as borrowings under the Accounting Principles (as defined in the Facilities Agreement)
- (i) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 90 days after the date of supply
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial or economic effect of a borrowing or otherwise classified as borrowings under the Accounting Principles and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above

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

**Floating Charge Assets** means all the assets and undertaking from time to time subject to the floating charge created under clause 3.5 (Floating charge) of the Debenture

**Group** means the Parent and each of its Subsidiaries for the time being

**Hedging Agreement** means any master agreement, confirmation, schedule or other agreement evidencing any Hedging Transaction to be entered into by any Obligor (each as defined in the Facilities Agreement)

**Instructing Party** has the meaning given to it in the Intercreditor Deed

**Insurance Policies** means, in respect of the Company, all policies of insurance present and future in which it has an interest

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**Intellectual Property means**

- (a) any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered and
- (b) the benefit of all applications and rights to use such assets of each member of the Group

**Investments** means any shares, stocks, debenture security, securities, bonds and investments of any type (other than the Subsidiary Shares) whatever, including but not limited to, negotiable instruments, certificates of deposit, eligible debt securities, interests in collective investment schemes, or other investments referred to in section 22, and as defined in Part II of Schedule 2 of the Financial Services and Markets Act 2000 and Part III of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, whether certificated or uncertificated, physical or dematerialised, registered or unregistered, held by the Company or by a trustee or clearance system or nominee

**Premises** means any building on a Secured Property

**Properties** mean the properties listed in schedule 2 to the Debenture (Properties) (if any)

**Receiver** means a receiver or receiver and manager or administrative receiver of the whole or any part of the Secured Assets

**Related Rights** means in respect of any Investment or Subsidiary Share

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

**Relevant Agreement** means

- (a) the Acquisition Agreement (as defined in the Facilities Agreement)
- (b) each Hedging Agreement and
- (c) each other agreement designated as a Relevant Agreement by the Security Trustee and the Parent in writing

**Relevant Policies** means all Insurance Policies (other than policies in respect of third party liability) together with all moneys payable in respect of those policies

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

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



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

**Subsidiary** means a subsidiary undertaking within the meaning of section 258 of the Companies Act 1985

**Subsidiary Shares** means, in respect of the Company, all shares at the date of the Debenture and in the future held by it in its Subsidiaries (including those listed in schedule 3 of the Debenture (Subsidiary Shares))

FILE COPY



## CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No 05433486

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 3rd AUGUST 2007 AND CREATED BY DIRECT GROUP INVESTMENT LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME FROM THE COMPANY TO THE FINANCE PARTIES (OR ANY OF THEM) 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 15th AUGUST 2007

GIVEN AT COMPANIES HOUSE, CARDIFF THE 21st AUGUST 2007.

A handwritten signature in black ink, appearing to be 'R. H.' or similar.



*Companies House*

— for the record —



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES