

M

CHFP025

Please do not
write in
this margin

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

* insert full name
of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

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

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

2

06133927

Name of company

Avanti Communications Group Plc, a company incorporated in England and Wales (the "Company")

Date of creation of the charge

23 July 2007

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

A composite debenture (the "Debenture") dated 23 July 2007 and entered into between, amongst others, the Chargor and Dresdner Bank AG, Niederlassung Luxemburg as agent and security trustee for the Secured Creditors (the "Security Agent")

Amount secured by the mortgage or charge

All present and future Liabilities of any Chargor to the Secured Creditors (or any of them) under or in relation to any one or more of the Finance Documents (including, without limitation, all Liabilities arising out of any extension, variation, modification, restatement or novation of such Finance Documents whatsoever) (the "Secured Obligations")

In this Form 395 unless otherwise defined the terms used have the meaning given thereto in Schedule 2

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

Dresdner Bank AG, Niederlassung Luxemburg as agent and trustee for the Secured Parties, at B P 265, L-2012 Luxemburg

Postcode L-2012

Presentor's name address and
reference (if any)

White & Case LLP
5 Old Broad Street
London EC2N 1DW
Our ref SP/ES-4479788-0003
Tel 020 7532 2723

Time critical reference

For official Use
Mortgage Section

Post room

TUESDAY



LD4

L2YYIRWO

07/08/2007

349

COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

Please see Schedule 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)

N/A

Signed White & Case LLP

Date 7 August 2007

On behalf of chargee

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

NOTES

† delete as
appropriate

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situated 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 mortgage for or charge. Cheques and Postal Orders are to be made payable to Companies House.
- 6 The address of the Registrar of Companies is Companies House, Crown Way, Cardiff CF14 3UZ.

SCHEDULE 1: SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED

1. FIXED CHARGE

1.1 Fixed charge

Each Chargor, with full title guarantee and as continuing security for the payment, discharge and performance of the Secured Obligations, has charged in favour of the Security Agent to hold the same on trust for the Secured Creditors on the terms set out in the Security Trust Deed

- (a) by way of first legal mortgage, all of the Real Property (if any) specified in Part I of Schedule 1 (*Real Property*) of the Debenture and all other Real Property now vested in any Chargor and the proceeds of sale of all or any part thereof;
- (b) by way of first fixed charge all of the Chargor's present and future right, title and interest in and to the benefit of (but in the case of paragraphs (vi) and (vii) below only if and to the extent the rights in question have not been effectively assigned pursuant to paragraph 2 (*Assignments*) or such rights have been effectively assigned but such assignment has not been perfected by the service of the appropriate Notice of Assignment):
 - (i) to the extent not effectively charged pursuant to paragraph (a) of this paragraph 1.1, all estates or interests in any Real Property (whether such interests are freehold, leasehold or licenses) vested in, or acquired by, it at the date of the Debenture or thereafter and the proceeds of sale of all or any part thereof,
 - (ii) to the extent not effectively charged pursuant to paragraph (a) or (b)(i) of this paragraph 1.1, all plant and machinery, equipment, computers, vehicles and other chattels (excluding any for the time being forming part of such Chargor's stock-in-trade or work in progress) at the date of the Debenture or thereafter owned by such Chargor or (to the extent of such interest) in which the relevant Chargor has an interest and the benefit of all contracts and warranties relating to the same,
 - (iii) all Charged Accounts,
 - (iv) the Intercompany Indebtedness,
 - (v) all Investments and all Related Rights,
 - (vi) all Insurances and all Related Rights;
 - (vii) (to the extent that the same are not effectively assigned pursuant to paragraph 2 (*Assignments*)) the HYLAS Contract, the Intelsat Contract and the ESA Contract and any other Material Contract and all Related Rights;

- (viii) any pension fund (to the extent permitted as a matter of law),
- (ix) all Ka-Band Licences and Ku-Band Licences and all other licences and Authorisations held in connection with the business of any Chargor or the use of any asset of any Chargor and the right to recover and receive all compensation which may at any time become payable to it in respect of the same;
- (x) any interest, claim or entitlement of such Chargor in, to or in respect of any pension fund,
- (xi) all its present and future uncalled capital and goodwill (including all brand names not otherwise subject to a fixed charge or assignment under the Debenture) of the Chargors, and
- (xii) all its present and future Intellectual Property including all Registered Intellectual Property Rights, patents, registered trade marks and registered designs (if any) including applications for any of the same in any part of the world

1 2 Fixed Charges in relation to Shares

With full title guarantee and as continuing security for the payment, discharge and performance of the Secured Obligations

- (a) the Parent has charged in favour of the Security Agent, to hold the same on trust for the Secured Creditors on the terms set out in the Security Trust Deed, all of its present and future rights, title, benefit and interest under and in respect of all shares that it holds in the Borrower, and
- (b) the Borrower has charged in favour of the Security Agent, to hold the same on trust for the Secured Creditors on the terms set out in the Security Trust Deed, all its present and future rights, title, benefit and interest under and in respect of all shares that it holds in any member of the Group

1 3 Non-Chargeable Rights and Assets

Notwithstanding the effectiveness of the charges over any property, assets or rights described in paragraphs 1.1 (*Fixed Charge*), 1 2 (*Fixed Charges in relation to Shares*), 2 (*Assignments*) and 3 (*Floating Charge*) the following property, assets or rights will be non-chargeable

- (a) any equipment the subject of a Permitted Security;
- (b) any amounts due and payable to ESA by Avanti Communications Limited pursuant to the terms of the ESA Contract; and
- (c) any rights, title, benefit and interest under or in respect of all Shares in any Unrestricted Subsidiary and any indebtedness owed by an Unrestricted Subsidiary

2. ASSIGNMENTS

2.1 Assignments

Subject to paragraph 2.2 (*Non-Assignable Rights*), the Chargor with full title guarantee has assigned absolutely by way of continuing security for the payment and discharge of the Secured Obligations to the Security Agent to hold the same on trust for the Secured Creditors on the terms set out in the Security Trust Deed all its present and future right, title, benefit and interest under and in respect of:

- (a) each of the HYLAS Contract, the Intelsat Contract, the HYLAS LMA, the ESA Contract and any other Material Contract and all Related Rights,
- (b) the Insurances and all Related Rights;
- (c) all Assigned Accounts,
- (d) to the extent not charged under the provisions of paragraph 1.1(b)(xii), all Intellectual Property Rights; and
- (e) all its present and future rights, title, benefit and interests under and in respect of the Intercompany Indebtedness and any other amounts payable in respect thereof

2.2 Non-Assignable Rights

The Chargor has declared that to the extent that any right, title, interest or benefit described in paragraph 2.1 (*Assignments*) is for any reason not effectively assigned pursuant to paragraph 2.1 (*Assignments*) for whatever reason, the Chargor shall

- (a) promptly notify the Security Agent of the same and the reasons therefor;
- (b) hold the benefit of the same on trust for the Security Agent as security for the payment and discharge of the Secured Obligations, and
- (c) take such steps as the Security Agent may require to remove such impediment to an assignment.

2.3 Licence Back of Intellectual Property Rights

The Security Agent has granted to the Chargor an exclusive, royalty-free licence to use and to have used on its behalf and to sublicense all Intellectual Property Rights assigned under this paragraph 2.3 at any time prior to the Security becoming enforceable

3. FLOATING CHARGE

- (a) The Chargor with full title guarantee has charged to the Security Agent, to hold the same on trust for the Secured Creditors on the terms set out in the Security Trust Deed, by way of first floating charge and as a continuing security for the payment and discharge of the Secured Obligations all its

undertaking and all its property, assets and rights whatsoever and wheresoever both present and future, not effectively charged by way of fixed charge or assigned pursuant to paragraphs 1 1 (*Fixed Charge*), 1 2 (*Fixed Charges in relation to Shares*) and paragraph 2 (*Assignments*).

- (b) The parties to the Debenture agree that the floating charge created by this paragraph 3 is a qualifying floating charge for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986

4. CONTINUING SECURITY

4.1 Continuing and Independent Security

The Security shall constitute and be continuing security which shall not be released or discharged by any intermediate payment or settlement of all or any of the Secured Obligations, shall continue in full force and effect until the end of the Security Period and is in addition to and independent of, and shall not prejudice or merge with, any other security (or any right of set-off) which the Security Agent or any other Secured Creditor may hold at any time for the Secured Obligations or any of them.

5. NEGATIVE PLEDGE

There is a negative pledge applicable to the Company contained in Clause 23 14 (*Negative Pledge*) of the Facilities Agreement

6. FURTHER ASSURANCE

The Chargor shall from time to time and at its own expense, give all such assurances and do all such things as the Security Agent may reasonably require to enable the Security Agent to perfect, preserve or protect the Security or the priority of the Security or to exercise any of the rights conferred on the Security Agent or the Secured Creditors by the Debenture or by law and to that intent the Chargor shall execute all such instruments, deeds and agreements, obtain all consents, approvals and other authorisations reasonably necessary to create legally and validly, without any breach of contract or duty, the fixed charges and to effect the assignments envisaged under paragraphs 1 (*Fixed Charge*) and 2 (*Assignments*) respectively, and shall give all such notices and directions as the Security Agent may reasonably consider expedient. The obligations of the Chargor under this paragraph 6 are in addition to the covenants for further assurance deemed to be included by virtue of the Law of Property (Miscellaneous Provisions) Act 1994

SCHEDULE 2: DEFINITIONS

In this Form 395:

"Account" means any account now or in the future opened or maintained by the Chargor with a bank or other financial institution (and any replacement account or subdivision or subaccount of that account), all amounts from time to time standing to the credit of, or accrued or accruing on, such account and all Related Rights,

"Accounting Principles" means IFRS

"Assigned Account" means:

- (a) Each Account identified in Part IV of Schedule 1 (*Details of Certain Assets*) of the Debenture;
- (b) Any other Account designated in writing as an Assigned Account by the Security Agent and the Parent.

"Avanti Group" means the Company, Avanti Communications Infrastructure Limited, Avanti Space Limited, Avanti Communications Limited and Avanti Broadband Limited

"Avanti Licence Report" means the report prepared by the Parent for information purposes only setting out the various Ka-band and Ku-band orbital slot, frequency assignments and spectrum authorisations which the Group have or which are in the process of being maintained and filed in favour of a Group Member with the ITU by OFCOM.

"Borrower" means Avanti Communications Infrastructure Limited, a company registered in England and Wales under company number 05316577

"Charged Accounts" means:

- (a) each Mandatory Prepayment Account;
- (b) each Holding Account,
- (c) each Collateral Account, and
- (d) any other Account maintained by the Chargor with the Security Agent

"Chargors" means the Company, Avanti Communications Infrastructure Limited, Avanti Space Limited, Avanti Communications Limited and Avanti Broadband Limited

"Collateral Account" means any Account that may from time to time be opened by the Chargors with the Security Agent pursuant to paragraph (a)(iii) of Clause 8.1 (*Accounts General*) of the Debenture

"Commitment" means

- (a) in relation to an Original Lender, the amount set opposite its name under the heading "Commitment" in Part 3 of Schedule 1 (*The Original Parties*) of the Facilities

Agreement and the amount of any other Commitment transferred to it under the Facilities Agreement; and

- (b) in relation to any other Lender, the amount of any Commitment transferred to it under the Facilities Agreement.

"Company" means Avanti Communications Group PLC, a company registered in England and Wales under company number 06133927

"Compliance Certificate" means a certificate substantially in the form set out in Schedule 9 (*Form of Compliance Certificate*) of the Facilities Agreement in form and substance satisfactory to the Facility Agent.

"ESA" mean the European Space Agency

"ESA Contract" means the ESTEC Contract Number 19437/05/NL/US contract dated 26 April 2006 between ESA and Avanti Communication Limited for the part-financing of the HYLAS Satellite.

"Facilities Agreement" means the senior term facility agreement dated 13 July 2007 between Avanti Communications Group PLC as Parent, Avanti Communications Infrastructure Limited as the Borrower, the Guarantors, Dresdner Bank AG as Facility Agent and Security Agent and the Lenders (as defined therein)

"Facility Agent" means Dresdner Bank AG, Niederlassung Luxemburg

"Fee Letter" means any letter or letters dated on or about the date of the Facilities Agreement between the Facility Agent, the Security Agent and the Borrower setting out any of the fees referred to in Clause 13 (*Fees*) of the Facilities Agreement

"Finance Document" means the Facilities Agreement, any Compliance Certificate, any Fee Letter, the Security Trust Deed, any Transaction Security Document, any Transfer Certificate, any Utilisation Request and any other document designated as a **"Finance Document"** by the Facility Agent and the Borrower

"Finance Parties" means the Facility Agent, the Security Agent and/or a Lender

"Financial Indebtedness" means any indebtedness for or in respect of.

- (a) monies borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent,
- (c) any amount raised pursuant to 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 lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease,

- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis),
- (f) 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;
- (g) any amount of any liability under an advance or deferred purchase agreement if (a) one of the primary reasons behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 180 days after the date of supply,
- (h) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, and
- (i) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in the paragraphs above

“Fixtures” means, in relation to any Real Property, all fixtures and fittings (including trade fixtures and fittings) and fixed plant, machinery and equipment and other items attached to the relevant Real Property whether or not constituting a fixture at law

“Group” means the Parent and each of its respective Subsidiaries from time to time, excluding the Unrestricted Subsidiaries and **“Group Member”** means any of those persons.

“Holding Account” means an account

- (a) held by a member of the Group with the Facility Agent or Security Agent;
- (b) identified in a letter between the Parent and the Facility Agent as a Holding Account, and
- (c) subject to security in favour of the Security Agent which security is in form and substance satisfaction to the Security Agent,

(as the same may be redesignated, substituted or replaced from time to time)

“HYLAS Contract” means the contract dated 31 March 2006 entered into between Avanti Space Limited and EADS Astrium Limited for the manufacture of the HYLAS Satellite

“HYLAS LMA” means the launch management agreement dated 19 June 2007 between Avanti Space Limited and GIST Space Limited for the provision of technical advice and specialist assistance for the selection, negotiation and management of the launch related services.

“HYLAS LSA” means the contract for launch services to be entered into by the Borrower and the Launch Vehicle Agency to perform the launch of the HYLAS Satellite.

“HYLAS Satellite” means the telecommunications spacecraft Ku and Ka-band satellite system to be provided to Avanti Space Limited pursuant to the terms of the HYLAS Contract.

"HYLAS TTC Contract" means the telemetry, tranching and control contract to be entered into by the Borrower or one of its Subsidiaries and a contractor selected by the Borrower for the performance and exercise of tracking, telemetry and control of the HYLAS Satellite

"IFRS" means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

"Initial Transaction Security Documents" means those documents listed in Part 1 of Schedule 2 (*Conditions Precedent*) of the Facilities Agreement

"Insurances" means, in relation to the Chargor, all present and future contracts or policies of insurance of whatever nature (including, without limitation, any launch and in-orbit insurance relating to the HYLAS Satellite) in which the Chargor from time to time has an interest,

"Intellectual Property Rights" means all patents, trade marks, service marks, designs, design rights, utility models, business names, topographical or similar rights, copyrights, moral rights, database rights, rights in inventions, domain names, computer software, know-how, trade secrets and confidential information and other intellectual property 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) owned by the Chargor.

"Intelsat Contract" means the contract dated 20 March 2006 between Intelsat and Avanti Broadband Limited for the provision of satellite communication capacity from the Intelsat satellite network

"Intercompany Indebtedness" means indebtedness owing by any member of the Avanti Group to the Chargor under each of the loan agreements or other debt instruments listed in Schedule 4 (*Intercompany Indebtedness*) of the Debenture and any other such indebtedness from time to time outstanding

"Investments" means:

- (a) the Shares and any other shares, stocks, debentures, bonds, notes, commercial paper, certificates of deposit, interests in collective investment schemes and other securities and investments of any kind whatsoever, and
- (b) all warrants, options or other rights to subscribe for, purchase or otherwise acquire any securities and investments,

in each case whether held directly by or to the order of any Chargor or by any custodian, nominee, fiduciary, clearance system or other similar person on its behalf (and all rights against any such person).

"ITU" means the International Telecommunication Union

"Ka-Band Licences" means all licences, authorisations, permits, approvals, exemptions, registrations and consents required (including, without limitation, as sub-licences thereof or any replacement licences, permits, approvals and consents in substitution therefor) relating to the Ka-band orbital slot and spectrum authorisations that the Group have or require with

respect to the HYLAS Satellite as set out in the Avanti Licence Report and “**Ka-band Licence**” means any of the foregoing,.

“**Ku-Band Licences**” means all licences, authorisations, permits, approvals, exemptions, registrations and consents required (including, without limitation, as sub-licences thereof or any replacement licences, permits, approvals and consents in substitution thereof) relating to the Ku-band orbital slot and spectrum authorisations that the Group have or require with respect to the HYLAS Satellite as set out in the Avanti Licence Report and “**Ku-band Licence**” means any of the foregoing,

“**Lender**” means

- (a) any Original Lender, and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with Clause 25 (*Changes to the Lenders*) of the Facilities Agreement,

which in each case has not ceased to be a Party in accordance with the terms of the Facilities Agreement.

“**Liability**” means any present or future obligation or liability for the payment of money, whether in respect of principal, interest or otherwise, whether actual or contingent, whether owed jointly or severally and whether owed as principal or surety or in any other capacity and including any amount which would constitute such a liability but for any discharge, non provability, unenforceability or non allowability of the same in any insolvency or other proceedings

“**Majority Lenders**” means a Lender or Lenders whose Commitments aggregate more than 66⅔ per cent of the Total Commitments (or, if the Total Commitments have been reduced to zero, aggregated more than 66⅔ per cent. of the Total Commitments immediately prior to that reduction)

“**Mandatory Prepayment Account**” means an interest-bearing account:

- (a) held by the Borrower with the Facility Agent or Security Agent,
- (b) identified in a letter between the Borrower and the Facility Agent as a Mandatory Prepayment Account,
- (c) subject to Security in favour of the Security Agent which Security is in form and substance satisfactory to the Facility Agent and Security Agent, and
- (d) from which no withdrawals may be made by any member of the Group except as contemplated by the Facilities Agreement,

(as the same may be redesignated, substituted or replaced from time to time).

“**Material Contract**” means any contract entered into by the Borrower or any other member of the Group with a contract value in excess of £4,000,000 provided however the HYLAS LMA, the HYLAS LSA, the HYLAS TTC Contract, the ESA Contract, the HYLAS Contract

and the Intelsat Contract are Material Contracts for this purpose regardless of the contract value

"Notice of Assignment" means a duly completed notice of assignment in the form set out in the relevant Part of Schedule 3 (*Forms of Notice and Acknowledgement of Assignment*) of the Debenture being:

- (a) Part IA, in the case of Insurances;
- (b) Part IIA, in the case of Assigned Accounts;
- (c) Part IIIA, in the case of Material Contracts,
- (d) Part IVA, in the case of Intercompany Indebtedness,

or in such other form as may be approved by the Security Agent

"Obligors" means the Chargors

"OFCOM" means the Office of Communications, or any successor regulator and competition authority for the UK communications industries and which represents the UK government in and also is the UK notifying administration to, the ITU.

"Original Lenders" means the lenders as set out in Part 3 of Schedule 1 of the Facilities Agreement,

"Parent" means Avanti Communications Group Plc, a public liability company incorporated under the laws of England with registered number 6133927 and with its registered offices situated at 74 Rivington Street, London EC2A 3AY

"Party" means a party to the Facilities Agreement.

"Permitted Disposal" has the meaning given to the term in the Facilities Agreement

"Permitted Parent Guarantee" means a guarantee by the Parent to any third party in relation to any Financial Indebtedness incurred by any Unrestricted Subsidiary which is subordinated to the Lenders to the satisfaction of the Facility Agent, and the enforcement of which is stood still for no less than six months from the occurrence of any default on terms satisfactory to the Facility Agent (acting on the instructions of the Majority Lenders) as documented under an intercreditor agreement on terms acceptable to the Facility Agent

"Permitted Parent Indebtedness" means any Financial Indebtedness of the Parent to any third party incurred in connection with the Unrestricted Subsidiaries which is guaranteed by the Unrestricted Subsidiaries, and provided that

- (i) no Financial Indebtedness shall be secured by any asset of the Group save for the Security permitted under paragraph (h) of the definition of Permitted Security;
- (ii) such Financial Indebtedness shall be subordinated to the Lenders on terms acceptable to the Facility Agent (acting on the instructions of the Majority Lenders), and

- (iii) such Financial Indebtedness shall include provisions acceptable to the Facility Agent which require the lenders thereunder to standstill any enforcement action for no less than six months from the occurrence of any default and enter into an intercreditor agreement with the Lenders on terms acceptable to the Facility Agent.

“Permitted Security” means

- (a) any Security or Quasi-Security provided to the Lender pursuant to the Transaction Security Documents,
- (b) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any member of the Group,
- (c) any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of members of the Group but only so long as (i) such arrangement does not permit credit balances of Obligors to be netted or set off against debit balances of members of the Group which are not Obligors and (ii) such arrangement does not give rise to other Security over the assets of Obligors in support of liabilities of members of the Group which are not Obligors,
- (d) any Security or rights of set-off arising from cash-pooling arrangements;
- (e) any Security or Quasi-Security over or affecting any asset acquired by a member of the Group after the date of the Facilities Agreement if:
 - (i) the Security or Quasi-Security was not created in contemplation of the acquisition of that asset by a member of the Group,
 - (ii) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by a member of the Group, and
 - (iii) the Security or Quasi-Security is removed or discharged within 3 months of the date of acquisition of such asset,
- (f) any Security or Quasi-Security over or affecting any asset of any company which becomes a member of the Group after the date of the Facilities Agreement, where the Security or Quasi-Security is created prior to the date on which that company becomes a member of the Group if
 - (i) the Security or Quasi-Security was not created in contemplation of the acquisition of that company,
 - (ii) the principal amount secured has not increased in contemplation of or since the acquisition of that company, and
 - (iii) the Security or Quasi-Security is removed or discharged within 3 months of that company becoming a member of the Group,
- (g) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a

member of the Group in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Group,

- (h) any Quasi-Security arising as a consequence of any finance, capital or operating leases permitted pursuant to paragraph (b) of the definition of "**Permitted Financial Indebtedness**" or paragraph (e) of the definition of "**Permitted Transaction**",
- (i) any Quasi-Security arising as a result of a disposal which is a Permitted Disposal,
- (j) any Security securing indebtedness the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of Security given by any member of the Group other than any permitted under paragraph (a) does not exceed £250,000 (or its equivalent in other currencies), and
- (k) any Security over the shares of any Unrestricted Subsidiary held by the Parent securing Permitted Parent Indebtedness or guaranteed by the Parent as a Permitted Parent Guarantee

"**Quasi-Security**" has the meaning given to the term in Clause 23 14 (*Negative Pledge*) of the Facilities Agreement

"**Real Property**" means any freehold or leasehold property in England and Wales, and all rights, easements and privileges from time to time attached or appurtenant thereto and all buildings, erections and Fixtures from time to time situated on or forming part of such freehold or leasehold property.

"**Receiver**" means any one or more receivers and/or managers or administrative receivers (whether appointed pursuant to the Debenture or pursuant to any statute, by a court or otherwise) of all or any of the Secured Assets and shall, where permitted by law, include an administrative receiver.

"**Registered Intellectual Property Rights**" means patents, petty patents, utility models, registered trade marks, registered designs and registered copyright, including applications for any of the same in any part of the world

"**Related Rights**" means, in relation to any asset:

- (a) the proceeds of sale of all or any part of that asset,
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset,
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset, and
- (d) any monies, proceeds or income paid or payable in respect of that asset

"**Secured Assets**" means all of the assets, rights, title, interests and benefits of the Chargors from time to time the subject of the Security

“Secured Creditors” means each of the Finance Parties and any Receiver appointed under the Debenture

“Security” means the security created or intended to be created by the Debenture.

“Security Period” means the period beginning on the date of the Debenture and ending on the date upon which the Security Agent is satisfied that:

- (a) none of the Secured Creditors is under any obligation (whether actual or contingent) to make advances or provide other financial accommodation to the Chargors under any of the Finance Documents, and
- (b) all Secured Obligations have been unconditionally and irrevocably paid and discharged in full

“Security Trust Deed” means the Security Trust Deed dated on or about the date of this Agreement and made between the Security Agent, the Agent and the Lenders

“Shares” means all shares in the capital of any member of the Group as identified in Part III Schedule 1 (*Shares*) of the Debenture and any other shares now or in the future legally or beneficially owned by any Chargor and/or any nominee on behalf of any such Chargor excluding the Unrestricted Subsidiaries.

“Subsequent Transaction Security Documents” means those documents listed in Part 2 of Schedule 2 (*Conditions Precedent*) of the Facilities Agreement

“Subsidiary” means

- (a) an entity of which a person has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting capital or similar right of ownership and control for this purpose means the power to direct the management and policies of the entity whether through the ownership of voting capital, by contract or otherwise, or
- (b) an entity treated as a subsidiary in the financial statements of any person pursuant to the Accounting Principles, and

excluding for all purposes the Unrestricted Subsidiaries.

“Total Commitment” means £32,000,000

“Transaction Security Documents” means:

- (a) each of the Initial Transaction Security Documents and the Subsequent Transaction Security Documents,
- (b) any other document executed at any time by any member of the Group conferring or evidencing any encumbrance for or in respect of any of the obligations of the obligors under the Facilities Agreement whether or not specifically required by the Facilities Agreement, and

- (c) any other document executed at any time pursuant to Clause 23.30 (*Further Assurance*) of the Facilities Agreement or any similar covenant in any of the Transaction Security Documents referred to in paragraph (a) to (c) above.

“Transfer Certificate” means a certificate substantially in the form set out in Schedule 4 (*Form of Transfer Certificate*) of the Facilities Agreement or any other form agreed between the Facility Agent and the Borrower.

“Unrestricted Subsidiaries” means Avanti Space (2) Limited and Avanti Space (3) Limited and their respective Subsidiaries.

“Utilisation Request” means a notice substantially in the relevant form set out in Schedule 3 (*Utilisation Request*) of the Facilities Agreement

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No 06133927

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A COMPOSITE DEBENTURE DATED THE 23rd JULY 2007 AND CREATED BY AVANTI COMMUNICATIONS GROUP PLC FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM ANY CHARGOR TO THE SECURED CREDITORS (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 7th AUGUST 2007

GIVEN AT COMPANIES HOUSE, CARDIFF THE 14th AUGUST 2007

P Maria



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES