

05 - 12 - 96

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COMPANIES FORM No. 419a (Scot)

Application for registration of a memorandum of satisfaction in full or in part of a registered charge

419a

Please do not write in this margin

Pursuant to section 419(1)(a) of the Companies Act 1985

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

To the Registrar of Companies
(Address overleaf)

For official use

Company number

145

SC146096 ✓

Name of company

insert full name of company

* GEORGE OUTRAM & COMPANY LIMITED ✓

I, GAVIN BROWN SUMMERS
of 195 ALBION STREET GLASGOW G1 1QP ✓

delete as appropriate

[a director] [the secretary] [the liquidator] [the receiver] [the administrator] of the company,
do solemnly and sincerely declare that the debt for which the charge described overleaf was given has been paid or satisfied in [full] [part] ? ✓

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at GLASGOW

Declarant to sign below

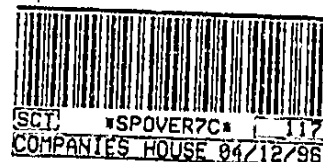
the 26TH day of NOVEMBER
one thousand nine hundred and 96
before me Dawn Dandash

A Commissioner for Oaths or Notary Public or Justice of the Peace or Solicitor having the powers conferred on a Commissioner for Oaths

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

For official Use
Charges Section

Post room



05-12-96

Particulars of the charge to which the application overleaf refers

Date of creation of the charge

3rd October 1994 ✓

Please do not write in this margin

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

Description of the instrument (if any) creating or evidencing the charge 1

See Paper Apart 1

1 insert a description of the instrument(s) creating or evidencing the charge, eg 'Charge', 'Debenture' etc.

Date of Registration ②

21st October 1994 ✓

② the date of registration may be confirmed from the certificate

Short particulars of property charged

See Paper Apart 2

✓

Where a FLOATING CHARGE is being satisfied, the following Certificate MUST be completed:

CERTIFICATE

I JOHN ALAN FORBES MACDONALD ✓
of THE ROYAL BANK OF SCOTLAND plc (for itself and as agent and trustee)
being [~~the creditor~~] [a person authorised to act on behalf of the creditor] entitled to the benefit of the floating charge specified above certify that the particulars above relating to the charge and its satisfaction are correct.

Signature Alan Macdonald

Date 5/11/96

- delete as appropriate

Note

The address of the Registrar of Companies is:

Companies House,
37 Castle Terrace,
Edinburgh
EH1 2EB

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Paper Apart 1

Supplemental Debenture (the Supplemental Debenture) which is supplemental to a Debenture executed by the Company on 23rd December 1993 and the Security Agent as agent and trustee referred to therein (the Debenture).

All references in this Form 419a to the Debenture shall be to the Debenture as amended by the Supplemental Debenture.

Paper Apart 2

1. Under Clause 4.1 of the Debenture the Company charges in favour of the Security Agent (as agent and trustee for itself and each of the Lenders):-

- (a) by way of a first legal mortgage all the property (if any) then belonging to it and specified in Schedule 1 to the Debenture together with all buildings 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 and any moneys paid or payable in respect of such covenants;
- (b) by way of first legal mortgage of all estates or interests in any freehold or leasehold property (except any Security Assets specified in paragraph (1) above and other than any interest in land situated in Scotland) wheresoever situate now belonging to it together with all buildings 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 and any moneys paid or payable in respect of such covenants;
- (c) by way of a first fixed charge:
 - (i) to the extent that the same are not the subject of a mortgage under paragraphs (a) and (b) above) all present and future estates or interests in any freehold or leasehold property wheresoever situate (but excepting present and future estates or interests in any land situated in Scotland) then or thereafter belonging to it together with all buildings and Fixtures thereon, the proceeds of sale of any part thereof and the benefit of any covenants for title given or entered into by any predecessor in title 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;
 - (ii) all plant and machinery (other than plant and machinery in Scotland) then or in the future owned by it and its interest in any plant or machinery in its possession other than any plant and machinery 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, the Security Accounts) with any bank, financial institution or other person and the debts represented thereby (other than any such accounts held in Scotland and which are charged in favour of the Security Agent by the Scottish Assignment in Security granted or to be granted by the Company in favour of the Security Agent (as agent and trustee for itself and each of the Lenders));
 - (iv) all benefits in respect of the Insurances and all claims and returns of premiums in respect thereof;
 - (v) all of its present and future book and other debts, the proceeds of the same and all other moneys due and owing to it or which may become due and owing to it at any time in the future and the benefit of all rights, securities

and guarantees in any nature whatsoever now or at any time enjoyed or held by it in relation to any of the foregoing;

- (vi) (to the extent that the same do not fall within any other sub-paragraph of this paragraph (c)) all of its rights and benefits under each of the Relevant Agreements, any distributorship or Intellectual Property Rights 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;
- (vii) any beneficial interest, claim or entitlement of it in any pension fund;
- (viii) its present and future goodwill;
- (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 Security Assets specified in paragraphs (a) and (b) and sub-paragraph (i) above 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, those patents and trade marks and designs specified in Part III of Schedule 5 to the Debenture) owned by it, subject to any necessary (as at the date of the Debenture) 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 or lack of any such consent as aforesaid or otherwise) the charge thereof purported to be effected by clause 4.1(c)(xi) of the Debenture 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 Liabilities.

2. Under Clause 4.2 of the Debenture, the Company:-

- (a) as continuing security, mortgages and charges and agrees to mortgage and charge to the Security Agent (as agent and trustee for the benefit of itself and each of the Lenders) all Group shares held then 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;
- (b) as continuing security, mortgages and charges and agrees to mortgage and charge to the Security Agent (as agent and trustee for the benefit of itself and the Lenders) all the Related Rights accruing to all or any of the 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; and
- (c) as continuing security, undertakes to deposit forthwith with the Security Agent (or the nominee of the Security Agent, as the case may be) for the benefit of the Security Agent and the Lenders and in such manner as the Security Agent may direct all bearer instruments, share certificates and other documents in respect of the Security Shares in which it has or acquires an interest and duly executed share transfer forms

in blank in respect of any registered shares comprised within the Security Shares, together with all resolutions and authorisations approving the execution and registration of such transfer forms as the Security Agent may require.

PROVIDED THAT all dividends paid or payable as referred to in sub-paragraph (b) above may at the option of the Security Agent (as agent and trustee as aforesaid) until the occurrence of a Default (as defined in the Facility Agreement), be paid directly to the Company.

3 Under Clause 4.3 of the Debenture, the Company, as continuing security, assigns and agrees to assign to the Security Agent (as agent and trustee for itself and each of the Lenders) all its right, title and interest (if any) in and to:-

- (i) the Insurances;
- (ii) the Acquisition Agreement;
- (iii) the Subscription Agreement;
- (iv) the Loan Stock Instrument;
- (v) the Service Contracts; and
- (vi) any leases in relation to printing presses granted by the Company to Outram.

To the extent that any such right, title and interest described above is not assignable or capable of assignment, the assignment thereof purported to be effected by the provision described above shall operate as:

- (i) in the case of the Insurances, an assignment in security of any and all proceeds of the Insurances received by the Company; and
- (ii) in the case of the Relevant Agreements, an assignment in security 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 hereof,

in each case as continuing security for the payment, discharge and performance of the Secured Liabilities.

NOTES

- 1. (a) A reference in the Debenture and this Form 419a to a charge or mortgage of any freehold or leasehold property includes:
 - (i) all buildings and Fixtures on that property;
 - (ii) the proceeds of sale of any parts of that property;
 - (iii) the benefit of any covenants for title given or entered into by a predecessor in title of the Company in respect of that property or any moneys paid or payable in respect of those covenants.

- (b) The omission from Part III of Schedule 5 to the Debenture of details of any Intellectual Property Rights owned or enjoyed by the Company does not affect the validity or enforceability of the security created by the Debenture over such Intellectual Property Rights.
 - (c) The fact that no details of properties are included or inserted in Schedule 1 to the Debenture does not affect the validity or enforceability of the charges created by the Debenture (including, without limitation, the charges created by the provisions described in paragraphs (a), (b) and (c)(i) of 1. above).
2. The Company has agreed that it will not, and that each Obligor will procure that none of its Subsidiaries will, (subject to certain express exceptions) create or permit to subsist any Encumbrance on the whole or any part of its respective present or future business, assets or undertaking (including Intellectual Property Rights), and has further agreed that if it creates or permits to subsist any such Encumbrance, then, to the extent possible under applicable law, all its obligations under the Facility Agreement and the Debenture will automatically and immediately be secured upon the same assets equally and rateably with the other obligations secured thereon.
3. The Debenture is subject to the terms of the Priority Agreement.

Paper Apart

Definitions applicable to the foregoing Form 419a relating to a Supplemental Debenture:

For the purposes of the Debenture and this Form 419a:-

- (1) **Additional Borrower** means any entity which becomes party to the Facility Agreement as a Borrower pursuant to a Borrower Accession Agreement (as defined in the Facility Agreement);

Additional Guarantor means any entity which becomes party to the Facility Agreement as a Guarantor pursuant to a Guarantor Accession Agreement (as defined in the Facility Agreement);

Arranger means Robert Fleming & Co. Limited;

Bank means each of the following:-

- (i) The Governor and Company of the Bank of Scotland
PO Box No 70
64 George Street
Edinburgh EH2 2YS;

Robert Fleming & Co. Limited
25 Copthall Avenue
London EC2E 7DR

The Royal Bank of Scotland plc
PO Box 121
98 Buchanan Street
Glasgow G13 8A

(together the Original Banks);

- (ii) any assignee or transferee of any such person pursuant to Clause 26 of the Facility Agreement;
- (iii) any person which assumes rights or obligations of a Bank pursuant to a Substitution Certificate (as defined in Clause 26.4 of the Facility Agreement); and
- (iv) any permitted successor or successors in title to any of the foregoing.

Borrower means Caledonian and each Additional Borrower (including the Company);

Caledonian means Caledonian Publishing Limited (formerly Caledonian Newspaper Publishing Limited) now Caledonian Publishing plc, registered in Scotland (No 136439);

Encumbrance means any standard security, assignment in security, bond and floating charge, mortgage, pledge, lien, charge, assignment for the purpose of providing security, hypothecation, right in security, security interest or trust arrangement for the purpose of providing security, any title retention or conditional sale arrangement and any other security

agreement or arrangement (including, without limitation, the deposit of monies or property with a person with the primary intention of affording such person a right of set-off or lien);

Facility Agreement means a facility agreement dated 8th May 1992 made between Caledonian as the borrower, Robert Fleming & Co. Limited as the arranger, the Lead Managers, the Banks, the Facility Agent and the Security Agent as security agent and trustee for the Banks, together with each Borrower Accession Agreement, Guarantor Accession Agreement and Substitution Certificate (all as defined in the Facility Agreement) relating thereto and any and each other agreement or instrument supplementing or amending it;

Facility Agent means the Governor and Company of the Bank of Scotland or any successor thereof pursuant to Clause 22.14 of the Facility Agreement;

Finance Documents means each of the Senior Finance Documents and the Mezzanine Finance Documents and any and each other agreement or instrument supplementing or amending any of such documents, and for the avoidance of doubt the term Finance Documents as used in the Debenture does not include the Subordinated Finance Documents save for the Priority Agreement;

Floating Charge means the Bond and Floating Charge executed by the Company on 23rd December 1993.

Group means Caledonian and its Subsidiaries from time to time or, if applicable to the Company, until completion of the acquisition by the Company of the whole issued share capital of the Company pursuant to the Acquisition Agreement (as defined in the Facility Agreement), Caledonian, the Company and any Subsidiary of the Company other than The Observer Limited if applicable;

Guarantor means Caledonian and each Additional Guarantor;

Intellectual Property Rights means all know-how, patents, trade marks, service marks, designs, business names, topographical or similar rights, copyrights and other intellectual property rights and any interest (including by way of licence) in any of the foregoing (in each case whether registered or not and including all applications for the same);

Interest Protection Agreements means any and all agreements entered into by any members of the Group at any time pursuant to Clause 18.4(g) of the Facility Agreement;

Lead Managers means the Original Banks in their capacity as lead managers of the term loan facility and revolving credit facility to be provided by the Banks under the Facility Agreement;

Lender means each of the Facility Agent, the Security Agent, the Arranger, the Lead Managers, the Banks and the Mezzanine Creditors parties to or having an interest under the Finance Documents from time to time (together the Lenders);

Loan Stock Instrument means the instrument constituting £18,000,000 unsecured loan stock issued by Caledonian to the Investors (as defined in the Facility Agreement) on or before 8th May 1992, as the same may be amended, varied or supplemented from time to time;

Mezzanine Creditors means the financial institutions which are from time to time the lenders under the Mezzanine Facility Agreement;

Mezzanine Facility Agreement means a facility agreement dated with effect from 8th May 1992 made between Caledonian, 3i plc, 3i Group plc, Robert Fleming & Co. Limited, the Mezzanine Agent (as defined in the Facility Agreement) and the Security Agent providing for a loan of £10,000,000 to be made to the Company, together with each Guarantor Accession Agreement and Substitution Certificate (all as defined in the Mezzanine Facility Agreement) relating thereto and any and each other agreement or instrument supplementing or amending it (including a Waiver Letter from 3i plc as facility agent dated 1st June 1992),

Mezzanine Finance Documents means the Mezzanine Facility Agreement, the Security Documents and the Priority Agreement;

Obligor means each Borrower and each Guarantor and any other member of the Group which has been required to enter into (whether or not it has yet entered into) any Borrower Accession Agreement or Guarantor Accession Agreement (as defined in the Facility Agreement) and/or Security Document pursuant to Clauses 2.4, 16.10 and/or 16.11 of the Facility Agreement;

Priority Agreement means an agreement dated 1st June 1992 and made between all the parties to the Senior Finance Documents, the Mezzanine Finance Documents and the Subordinated Finance Documents for the principal purpose of regulating the order of ranking of the Senior Debt, the Mezzanine Debt and the Subordinated Debt (all as defined in the Facility Agreement), and the Senior Mezzanine Debt as amended and restated on 3rd and 4th October 1994, together with any and all deeds of accession, Substitution Certificates (as defined in the Facility Agreement) and other documents supplemental thereto;

Security Accounts means (i) each account maintained from time to time by the Company for the purposes of Clause 7.3(a) of the Debenture (book debts and receipts) at such branch of the Account Bank as the Security Agent may from time to time approve, and (ii) each account maintained from time to time by or in the name of the Company for the purposes of Clause 12.2 of the Debenture (Contingencies) at such branch or branches of the Account Bank as the Security Agent may from time to time approve;

Security Agent means the Security Agent as defined in the Companies Form 410 to which these definitions relate or any successor thereof pursuant to Clause 22.14 of the Facility Agreement and any corresponding provision of any Security Document;

Security Documents means the bond and floating charges (including the Floating Charge), assignments in security, standard security, shares pledges, debentures and other security documents identified in Schedule H to the Facility Agreement together with such other security documents as may be required to be entered into by any Obligor pursuant to any of the Senior Finance Documents and includes security documents granted in connection with the Senior Mezzanine Facility Agreement;

Senior Mezzanine Agent means The Governor and Company of the Bank of Scotland in its capacity as agent for the Banks (as therein defined) under the Senior Mezzanine Facility Agreement and any successor or assign thereof pursuant to the Senior Mezzanine Facility Agreement;

Senior Finance Documents means the Facility Agreement, the Security Documents, the Priority Agreement and the Interest Protection Agreement;

Senior Mezzanine Creditors means the financial institutions which are from time to time the Banks (as therein defined) under the Senior Mezzanine Facility Agreement;

Senior Mezzanine Debt means monies owing and/or accrued from time to time (whether or not due and payable) by any Obligor under or in respect of the Senior Mezzanine Facility Agreement;

Senior Mezzanine Facility Agreement means a facility agreement dated 3rd and 4th October 1994 made between among others, the Senior Mezzanine Creditors, The Governor and Company of the Bank of Scotland as arranger, the Senior Mezzanine Agent and the Security Agent providing for certain loans to be made to Caledonian upon and subject to the terms thereof and of the Priority Agreement;

Senior Mezzanine Finance Documents means the Senior Mezzanine Facility Agreement, the Security Documents, the Priority Agreement and the Interest Protection Agreements;

Subordinated Finance Documents means (i) the Loan Stock Instrument, (ii) the certificates issued pursuant to the Loan Stock Instrument, (iii) the Subscription Agreement to the extent of Clause 3 thereof and any provisions thereof relating to the Investor Loans (as defined in the Facility Agreement), and (iv) the Priority Agreement;

Subscription Agreement means an agreement dated 8th May 1992 as made between, Caledonian, the Investors (as defined in the Facility Agreement), the Executives (as defined in the Facility Agreement) and others, pursuant to which the Investors, the Executive and others will (inter alia) subscribe in full in cash for, and acquire and have issued to them or their nominees shares in the capital of the Company;

Subsidiary means (a) a subsidiary as defined in Section 736 of the Companies Act 1985, as amended, and (b) a subsidiary undertaking as defined in Section 258 of the Companies Act 1985 as amended, or, in either case, any statutory re-enactment or replacement thereof; and

Waiver Letter means any letter or other document setting out the terms (if any) upon which (a) compliance with any provision of any Finance Document is waived, or (b) any amendment to or variation of or departure from the terms of any Finance Document is approved, or (c) any consent or approval required to be given is given, by the Facility Agent on behalf of itself and the Bank, or by the facility agent under the Mezzanine Facility Agreement on behalf of itself and the Lenders under the Mezzanine Facility Agreement;

- (2) References to the Company and the Security Agent shall include the successors, permitted assignees and transferees of the Company and the Security Agent; including in the case of the Security Agent any person for the time being the Security Agent under the Facility Agreement.
- (3) References (by whatever term) to each Obligor, the Arranger, each Lead Manager, each Bank, each Facility Agent, each Mezzanine Creditor, each Investor or the parties to the Facility Agreement include their respective successors and permitted assignees.

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- (3) Any reference to the Supplemental Agreement or to any other document is to the Supplemental Agreement or that document as amended, varied, supplemented, novated or substituted from time to time.
- (4) References to a "person" are to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) or two or more of the foregoing.