

# M

## COMPANIES FORM No. 395

### Particulars of a mortgage or charge

075338/82

# 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



313835

Name of company

\* Cannon Rubber Limited (the "Company").

Date of creation of the charge

1 July 2005.

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

Debenture, dated 1 July 2005, between (1) the Company (2) Mizuho Corporate Bank, Ltd. (the "Deed").

Amount secured by the mortgage or charge

The "Secured Liabilities" as defined in the attached continuation sheets.

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

Mizuho Corporate Bank, Ltd.  
River Plate House  
7-11 Finsbury Circus, London

Postcode EC2M 7DH

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

Herbert Smith LLP  
Exchange House, Primrose  
Street, London, , EC2A 2HS  
Ref: 30856248

For official Use (02/00)  
Mortgage Section



Time critical reference

Short particulars of all the property mortgaged or charged

The "Charged Assets" as defined in the attached continuation sheets.

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)

Signed

*Herbert Smith LLP*

Date

*8<sup>th</sup> July 2005*

On behalf of ~~company~~ [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

**CANNON RUBBER LIMITED**

Company Number: 313835

**A: Definitions and Interpretation**

In this Form 395 the following terms shall have the following meanings:

**"Account Proceeds"** means, in relation to each Security Provider, all amounts (including interest) from time to time standing to the credit of any bank or other account of such Security Provider with any bank, building society, financial institution or other person and the debts represented thereby;

**"Acquisition"** means the acquisition by Bidco of the entire issued share capital of Avent Group Limited in accordance with the Acquisition Documents;

**"Acquisition Documents"** means together:

- (A) the acquisition agreement;
- (B) the acquisition disclosure letter;
- (C) the documentation governing the debt bridge facilities;
- (D) the documentation governing the equity bridge facilities;
- (E) the deposit deed;
- (F) the demerger deed;
- (G) the distribution agreement;
- (H) all other documents between the vendor and Bidco delivered pursuant to the acquisition agreement; and
- (I) any other document designated as such by both the agent and Bidco;

**"Administrator"** means a person appointed under Schedule B1 to the Insolvency Act 1986 to manage a Security Provider's affairs, business and property;

**"Bidco"** means Avent Finance Limited of 21 Holborn Viaduct, London EC1A 2DY, a company incorporated under the laws of England and Wales with company number 5402991;

**"Cash Collateral Account"** means an interest-bearing blocked deposit account (bearing interest at normal commercial rates for deposit accounts for corporate customers), opened in the name of any relevant obligor with the agent (or such other secured party as the relevant provisions of any Finance Document so provide) on terms that it (and amounts credited to it) is subject to a first-ranking Security Interest in favour of the Security Trustee;

**"Charged Assets"** means, in relation to each Security Provider, the property of such Security Provider described in Clauses 2 and 3 of these continuation sheets;

**"Debts"** means, in relation to each Security Provider, all of such Security Provider's present and future book and other debts, revenues and monetary claims, whether actual or contingent, and whether originally owing to such Security Provider or purchased or acquired by it, and all things in action which may give rise to any debt, revenue or

**CONTINUATION SHEET: 2**

monetary claim and the benefit of any related Security Interest, guarantee or other right of any nature relating thereto and any proceeds of any of the above;

**"Due Diligence Report"** means each of the accountant's report, the legal report, the property title report, insurance report and the structure memorandum;

**"Finance Documents"** means the Senior Facilities Agreement, any ancillary facilities letter, any fee letter, any accession letter, any resignation letter, any hedging strategy letter, any hedging document, any security document, the syndication strategy letter and any other document designated as such by the agent and Bidco;

**"Finance Parties"** means the agent, the mandated lead arranger, the lenders, any ancillary facilities lender, any issuing bank, any hedging lender and the Security Trustee, and **"Finance Party"** means any of them;

**"Insurance Policies"** means, in relation to each Security Provider, all present and future contracts or policies of insurance (including life and critical illness policies) in which such Security Provider has an interest, or in which it may from time to time have an interest, (whether solely, jointly, as loss payee or otherwise);

**"Insurance Proceeds"** means all monies from time to time payable to any Security Provider under or pursuant to the Insurance Policies, including (without limitation) the refund of any premiums;

**"Intellectual Property Rights"** means:

- (A) all of the property specified in Schedule 3 (*Intellectual Property*) to the Deed; and
- (B) all other patents, patent applications, trade marks and service marks (whether registered or not), trade mark and/or service mark applications, trade names, registered designs, design rights, copyrights, computer software, know-how, trade secrets, inventions and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and the rights to use such assets and all Related Property Rights;

**"Limitation Acts"** means the Limitation Act 1980 together with all primary and secondary legislation which prescribes time limits within which a claim must be made following a cause of action;

**"LPA"** means the Law of Property Act 1925;

**"Mezzanine Facility Agreement"** means the £30,000,000 mezzanine facility agreement dated on or around the date of the Deed between (among others) Topco, Bidco, mezzanine lenders and the Security Trustee;

**"Mezzanine Finance Documents"** means the Mezzanine Facility Agreement, any fee letter, any accession letter, any resignation letter, any hedging strategy letter, any hedging document, any security document, the syndication strategy letter and any other document designated as such by the agent and Bidco;

**"Mezzanine Finance Parties"** means the mezzanine lenders and the agent, mandated lead arranger, hedging lenders and the Security Trustee;

**"Real Property"** means, in relation to each Security Provider:

- (A) all of the freehold and/or leasehold property of such Security Provider specified in Schedule 2 to these continuation sheets; and

**CONTINUATION SHEET: 3**

- (B) all freehold and/or leasehold property of such Security Provider now or hereinafter from time to time owned situate in England and Wales (other than the property referred to in paragraph (A) above); and
- (C) any buildings, fixtures, including trade fixtures, (subject, in the case of tenant's fixtures, to any tenant's rights in respect of those fixtures), fittings, fixed plant or machinery from time to time on or forming part of the property referred to in paragraphs (A) and (B) above; and
- (D) all Related Property Rights;

**"Receiver"** means any person appointed by the Security Trustee to be a receiver or receiver and manager or administrative receiver or administrator of any property subject to the Security Interests created by the Deed;

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

- (A) the proceeds of sale and/or other realisation of that property or asset (or any part thereof or interest therein);
- (B) all Security Interests, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such property or asset; and
- (C) all rights under any lease, licence or agreement for lease, sale or use in respect of such property or asset;

**"Related Securities Rights"** means all allotments, rights, benefits and advantages (including all voting rights) at any time accruing, offered or arising in respect of or incidental to any Securities and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of Securities;

**"Secured Liabilities"** means, in relation to each Security Provider, all monies, obligations and liabilities covenanted to be paid or discharged by any Obligor under the Senior Facilities Agreement and the Mezzanine Facility Agreement pursuant to Clause 1 of these continuation sheets;

**"Securities"** means, in relation to each Security Provider, all of such Security Provider's right, title, benefit and interest in all stocks, shares, bonds, notes, warrants and other securities of any kind whatsoever (including warrants or options to acquire or subscribe any of the same) whether in bearer or registered form, and all other interests in any person and all Related Securities Rights whether the same are held directly by or to the order of such Security Provider or by any trustee, fiduciary, clearance system (including any depository for any clearance system and any other person whose business is or includes the provision of clearance services or the provision of security accounts or any nominees or depository for any such person), custody system, settlement system or custodian on behalf of such Security Provider or whether the same have been delivered to or to the order of the Security Trustee or its nominee including all Related Property Rights and all rights against any such trustee, fiduciary, clearance system or other person holding such to the order of such Security Provider;

**"Security Interest"** means a mortgage, charge (whether fixed or floating) pledge, lien or other security interest or preferential arrangement securing any obligation of any person or any other agreement or arrangement having a similar effect;

## CONTINUATION SHEET: 4

**"Security Period"** means the period from the date of the Deed until the later of (i) the date, as determined by the Security Trustee, on which all senior debt has been unconditionally and irrevocably paid and discharged in full to the satisfaction of the Security Trustee and no commitment is in force under the Finance Documents, and (ii) the date on which the mezzanine debt has been unconditionally and irrevocably paid and discharged in full to the satisfaction of the mezzanine agent and no commitment is in force under the Mezzanine Finance Documents;

**"Security Providers"** means the persons listed in Schedule 1 to these continuation sheets and any other Subsidiary of Avent Holdings Limited which becomes a party to the Deed in such capacity pursuant to a Supplemental Deed, and **"Security Provider"** shall be construed accordingly;

**"Security Trustee"** means Mizuho Corporate Bank, Ltd. of River Plate House, 7-11 Finsbury Circus, London EC2M 7DH, or such other person who may be appointed Security Trustee pursuant to the terms of an intercreditor agreement entered into on or about the date of the Deed between (among others) Topco, Bidco, the Finance Parties, the Mezzanine Finance Parties and the Security Trustee;

**"Senior Facilities Agreement"** means the £165,000,000 senior facilities agreement entered into on or about the date of the Deed between (among others), Topco, Bidco and Mizuho Corporate Bank, Ltd. as Security Trustee;

**"Supplemental Deed"** means a deed supplemental to the Deed executed by a subsidiary of Topco substantially in the form of Schedule 5 to the Deed (*Form of Supplemental Deed*), by virtue of which that subsidiary becomes bound by the Deed in the capacity of a Security Provider; and

**"Topco"** means Avent Holdings Limited of 21 Holborn Viaduct, London EC1A 2DY, a company incorporated under the laws of England and Wales with company number 05402988.

### **B: Amounts secured by the mortgage or charge**

#### **1. COVENANTS TO PAY**

##### **1.1 Covenant to Pay Secured Liabilities**

Under the Deed, each Security Provider covenants that it shall on demand pay to the Security Trustee all monies and discharge all obligations and liabilities now or hereafter due, owing or incurred by it to the Finance Parties and the Mezzanine Finance Parties, or any of them, under or pursuant to the Finance Documents and the Mezzanine Finance Documents, in each case when the same become due for payment or discharge whether by acceleration or otherwise, and whether such moneys, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to the Finance Parties and/or the Mezzanine Finance Parties or any of them or purchased or otherwise acquired by any of them; denominated in sterling or in any other currency, or incurred on any banking account or in any other manner whatsoever.

##### **1.2 Potential Invalidity**

Under the Deed, neither the covenant to pay in Clause 1.1 (*Covenant to Pay Secured Liabilities*) nor the Security Interests created by the Deed shall extend to or include any liability or sum which would, but for this Clause 1.2 cause such covenant or Security Interest to be unlawful under any applicable law.

**C: Short particulars of all property mortgaged or charged****2. FIXED SECURITY****2.1 Creation of fixed security**

Under the Deed, each Security Provider charges to the Security Trustee, by way of first fixed charge (which, so far as it relates to freehold or leasehold property in England and Wales vested in such Security Provider at the date of the Deed, shall be a charge by way of legal mortgage) with full title guarantee as a continuing security for the payment and discharge of the Secured Liabilities, all of its rights to, and title and interest from time to time in, any and each of the following:

- 2.1.1 the Real Property, subject in the case of leasehold property to any necessary third party consents to such mortgage being obtained;
- 2.1.2 (to the extent that the same is not the subject of a mortgage under Clause 2.1.1 above) the Real Property;
- 2.1.3 all plant, machinery, vehicles, computers, office and other equipment and chattels and all Related Property Rights;
- 2.1.4 (to the extent that the same are not the subject of a fixed charge under Clause 2.1.5 below all Debts;
- 2.1.5 all Account Proceeds;
- 2.1.6 all amounts standing to the credit of any Cash Collateral Account;
- 2.1.7 all of its Securities and all Related Securities Rights;
- 2.1.8 all of its Intellectual Property Rights;
- 2.1.9 all goodwill and uncalled capital; and
- 2.1.10 (to the extent not effectively assigned under Clause 2.3 (*Assignments*)) the Insurance Policies and the Insurance Proceeds and all Related Property Rights.

**2.2 Acquisition Documents and Due Diligence Report**

Save only to the extent that such fixed charge would constitute an express breach of the terms of any relevant agreement, document or report each Security Provider under the Deed charges to the Security Trustee by way of first fixed charge with full title guarantee as a continuing security for the payment and discharge of the Secured Liabilities all of its rights, title, benefits and interests whatsoever (whether present or future, proprietary, contractual or otherwise) under or arising out of the Acquisition Documents and the Due Diligence Report (in each case as from time to time extended, varied or replaced), including without limitation (i) any indebtedness arising from or in any way connected with the Acquisition or the financing of the Acquisition, (ii) all claims for damages or other remedies in respect of any breach of, or inaccuracy in, any Acquisition Document or the Due Diligence Report, and (iii) the benefit of (and the right to make any claims under or in respect of) all warranties, indemnities and representations given to it in or pursuant to the Acquisition Documents or the Due Diligence Report.

**2.3 Assignments**

Under the Deed, each Security Provider assigns to the Security Trustee with full title guarantee as a continuing security for the payment and discharge of the Secured Liabilities all of its rights to and title and interest from time to time in the Insurance Policies (subject

to obtaining any necessary consent to such assignment from any third party), the Insurance Proceeds and all Related Property Rights.

**3. FLOATING CHARGE**

**3.1 Creation of floating charge**

Under the Deed, each Security Provider charges to the Security Trustee by way of first floating charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of its rights to and title and interest from time to time in the whole of its property, assets, rights and revenues, whatsoever and wheresoever, present and future, other than any assets validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 2.1 (*Creation of fixed security*), 2.2 (*Acquisition Documents, Shareholders Agreement and Due Diligence Report*) or 2.3 (*Assignments*).

**D: The Deed is subject to the following restrictions**

**4. RESTRICTIONS ON DEALING WITH CHARGED ASSETS**

Under the Deed each Security Provider undertakes to the Security Trustee that during the Security Period it shall not, without the prior written consent of the Security Trustee (acting on the instructions of the other Finance Parties and Mezzanine Finance Parties in accordance with the terms of the Finance Documents:

- 4.1.1 create or attempt to create or permit to subsist in favour of any person other than the Security Trustee any Security Interest (except a Permitted Security Interest) on or affecting the Charged Assets or any part thereof; or
- 4.1.2 dispose of the Charged Assets or any part thereof or attempt or agree so to do except in the case of (i) assets which are the subject only of the floating charge created by this Deed which may, subject to the other provisions of this Deed, be disposed of in the ordinary course of business, and (ii) disposals expressly permitted by the terms of the Senior Facilities Agreement and the Mezzanine Facility Agreement, but only then with the requisite consent (if any).



## SCHEDULE 1

## The Security Providers

Name	Registration No.	Registered Office	Shareholder*	Contact Details
Avent Holdings Limited	5402988	21 Holborn Viaduct, London EC1A 2DY		c/o Charterhouse Capital Development LLP Warwick Court Paternoster Square London EC4M 7DX  Fax +44 (0) 20 7334 5335  Attention: Graeme.Coulthard / Malcolm Offord
Avent Finance Limited	5402991	21 Holborn Viaduct, London EC1A 2DY	Avent Holdings Limited	c/o Charterhouse Capital Development LLP Warwick Court Paternoster Square London EC4M 7DX  Fax +44 (0) 20 7334 5335  Attention: Graeme.Coulthard / Malcolm Offord
Avent Group Limited (formerly Cannon Avent Group PLC)	2437245	North London Business Park, Oakleigh Road South, London N11 1SS	Avent Finance Limited	North London Business Park, Oakleigh Road South, London N11 1SS  Fax: +44 (0) 20 8365 5701  Attention: Finance Director

**CONTINUATION SHEET: 8**

<b>Name</b>	<b>Registration No.</b>	<b>Registered Office</b>	<b>Shareholder*</b>	<b>Contact Details</b>
Cannon Rubber Limited	313835	North London Business Park, Oakleigh Road South, London N11 1SS	Avent Group Limited	North London Business Park, Oakleigh Road South, London N11 1SS  Fax: +44 (0) 20 8365 5701  Attention: Finance Director

\* 100% unless otherwise stated

## SCHEDULE 2

## Real Property

Property	Title No.	Legal and beneficial owner	Freehold/Leasehold
Avent Factory Site, Lower Road, Glemsford	SK213610, SK218980, SK218963 and SK218981	Cannon Rubber Limited	Freehold

FILE COPY



## CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 00313835

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 1st JULY 2005 AND CREATED BY CANNON RUBBER LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE BY ANY OBLIGOR TO MIZUHO CORPORATE BANK, LTD 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 9th JULY 2005.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 14th JULY 2005.



*Companies House*

— for the record —



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES