

395

CONFIDENTIAL

$$186169/30$$

Company number

1116

1322200

* Security Distribution Group Limited (the "Charging Company")

30 June 2003

Debenture dated 30 June 2003 made between the Chargors (as defined in the attached Schedule) (1) in favour of Natexis Banques Populaires (in its capacity as Security Agent for the Beneficiaries (as defined in the attached Schedule)) (2) (the "Debenture").

See Part II of the attached Schedule.

Natexis Banques Populaires (in its capacity as Security Agent for the Beneficiaries (as defined in the attached Schedule))
45 rue Saint Dominique, 75007 Paris, France

Postcode

Lovells
Atlantic House
Holborn Viaduct
London
EC1A 2EG

F3TSA/PCA/1197701.01

Time critical reference

Post room



LD6
COMPANIES HOUSE

0310
11/07/08

Short particulars of all the property mortgaged or charged

See Part III of the attached Schedule.

The attached Schedule refers to covenants by, and restrictions on, the Charging Company which protect and further define the charges created by the Debenture and which must be treated as part of those charges.

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)

Not applicable.

Signed

Lovells

Date

11 July 2003

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

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

† delete as appropriate

Notes

- 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 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 TO FORM 395 FOR SECURITY DISTRIBUTION GROUP LIMITED

Part I

Definitions

In this Schedule, references to Clauses and Schedules are to Clauses of, and Schedules to, the Debenture unless otherwise specified. References in this Schedule to the Debenture or to any other document (including any Finance Document) include reference to this Debenture, or to such other document, as varied in any manner from time to time. In this Form 395 and this Schedule, the following expressions shall have the meanings respectively set out below:

"Account Bank" such bank or banks with whom any of the Chargors may maintain an account;

"Agent" means Natexis Banques Populaires as agent for the Lenders;

"Assets" all the Charging Company's undertaking, property, assets, revenues and rights of every description, or any part of them;

"Beneficiary" each Senior Finance Party and each Hedging Bank;

"Chargor" each company named in Part V (*The Chargors*) of this Schedule and (with effect from its accession) each other company which executes a Deed of Accession and Charge and any company which subsequently adopts the obligations of a Chargor;

"Collection Account" the Charging Company's account with the Account Bank into which the Charging Company is required pursuant to Clause 6.1 (*Collection Account*) of the Debenture to pay its Receivables;

"Company" means Othello Solutions Limited (to be renamed Gardiner Group Europe Holding (UK) Limited), a company incorporated in England and Wales under the registered number 4541361;

"Debenture Date" 30 June 2003;

"Derivative Rights" all dividends, interest or distributions and all other rights and benefits of an income nature accruing at any time in respect of any Investment Securities;

"Facilities Agreement" the facilities agreement dated 5 May 2003 (as amended by an amendment agreement dated 30 June 2003) between Gardiner Groupe Europe (as the Company), the companies listed in Part 1 of Schedule 1 thereto (as Original Borrowers), Natexis Banques Populaires (as Bookrunner, Agent, Issuing Bank and Security Agent), Crédit Commercial de France and Natexis Banques Populaires (as Mandated Lead Arrangers) and the Original Lenders (each term as defined therein);

"Finance Document" each Senior Finance Document;

"Finance Party" the Agent, the Security Agent, the Issuing Bank, the Mandated Lead Arranger, the Bookrunner or a Lender (each term as defined in the Facilities Agreement);

"Fixed Charge Asset" an Asset for the time being comprised within a mortgage or fixed charge created by Clause 3.1 (*Creation of fixed security*) (referred to in paragraph 1 Part III of this Schedule);

"Floating Charge Asset" an Asset for the time being comprised within the floating charge created by Clause 3.2 (*Creation of floating charge*) (referred to in paragraph 2 Part III of this Schedule) but, if it is also a Fixed Charge Asset, only in so far as concerns that floating charge;

"Gardiner Groupe Europe" Gardiner Groupe Europe (formerly Lisbonne Finance 3), a company (*société par actions simplifiée*) established under the laws of France and having its registered address at 31 rue de Lisbonne, 75008 Paris and incorporated at the Paris companies' registry under the registered number 421 419 755;

"Group" the Company and its Subsidiaries for the time being;

"Hedging Bank" each of the banks, financial institutions and other entities named (if any) in Schedule 2 to the Intercreditor and Subordination Agreement and any person (other than any member of the Group) which becomes a Hedging Bank under Clause 8.1 of the Intercreditor and Subordination Agreement;

"Indebtedness" any obligation for the payment or repayment of money in any currency, whether present or future, actual or contingent, joint or several, whether incurred as principal or surety or in any other way whatever, and including principal, interest, commission, fees and other charges;

"Intellectual Property" all the Charging Company's patents (including supplementary protection certificates), utility models, registered and unregistered trade marks (including service marks), rights in passing off, copyright, database rights, registered and unregistered rights in designs (including in relation to semiconductor products) and, in each case, any extensions and renewals of, and any applications for, such rights;

"Intellectual Property Rights" all and any of the Charging Company's Intellectual Property and all other intellectual property rights, causes of action, interests and assets charged by it pursuant to Clause 3.1 (*Creation of fixed security*) (c) (ix) to (xiv) (referred to in paragraph 1 (c) (ix) to (xiv) Part III of this Schedule) inclusive;

"Intercreditor and Subordination Agreement" the intercreditor and subordination deed dated 5 May 2003 (as amended by an amendment agreement dated 30 June 2003) and made between Natexis Banques Populaires (as Senior Agent and Underwriter), the Senior Lenders, the Hedging Banks, the Subordinated Bondholders, the Subordinated Bondholder Agent, the Investors, the Vendor Loan Creditor, Gardiner Groupe Europe (as the Company) the Original Obligors and any Additional Obligors (each term as defined therein);

"Investment Securities" all shares, stock, debentures, debenture stock, bonds and other investments (as listed in Part II, Schedule 2 of the Financial Services and Markets Act 2000), whether certificated or uncertificated and whether in registered or bearer form, including all depositary interests representing any of them and including all rights and benefits of a capital nature accruing at any time in respect of any Investment Securities by way of redemption, repayment, substitution, exchange, bonus or preference, option, rights or otherwise;

"Land" includes freehold and leasehold, and any other estate in, land and (outside England and Wales) immovable property and in each case all buildings and structures upon and all things affixed to Land (including trade and tenant's fixtures);

"Lender":

(a) any Original Lender; and

- (b) any bank or financial institution or any other lender which has become a party to the Facilities Agreement in accordance with Clause 25 (*Changes to the Lenders*) of the Facilities Agreement,

which, in each case, has not ceased to be a party to the Facilities Agreement in accordance with the terms of the Facilities Agreement;

"Material Land" land which is either;

- (a) freehold land; or
- (b) leasehold land which was created for a term of years equal to or more than 21 years.

For the avoidance of doubt, all land listed in Part VI (*Registered Land mortgaged under Clause 3.1 (Creation of fixed security) of the Debenture*) of this Schedule is Material Land;

"Original Lender" means each of Natexis Banques Populaires and Crédit Commercial de France;

"Original Security Document" a security document listed in Schedule 2 (*The Original Security Documents*) to the Facilities Agreement;

"Permitted Security":

- (a) Existing Security (as defined in the Facilities Agreement);
- (b) liens and rights of set off arising by operation of law and retention of title clauses in suppliers' standard terms and conditions of business, in each case in the normal course of business;
- (c) Security created under the Security Documents or any agreement in favour of any Lender in connection with credit balances held by that Lender which permits the netting of such credit balances;
- (d) Security granted in the normal course of business but restricted to a total amount not exceeding EUR500,000 in aggregate for the Group during the Accounting Reference Period (as defined in the Facilities Agreement);
- (e) conditional purchase, hire purchase, finance lease or capital lease arrangements which constitute Approved Permitted Indebtedness (as defined in the Facilities Agreement);
- (f) liens arising from unpaid Taxes (as defined in the Facilities Agreement) provided such Taxes are not more than 30 days overdue; and
- (g) Security granted with the approval of the Agent;

"Realisation Account" an account opened by an Obligor (as defined in the Facilities Agreement) in the books of Natexis Banques Populaires (as Agent) in which proceeds paid under Clause 9.8 (*Net Disposals, Insurance and other proceeds*) to that Obligor are or will be pledged in favour of the Finance Parties in relation to the Facilities Agreement;

"Receivables" all sums of money receivable by the Charging Company at the Debenture Date or thereafter consisting of or payable under or derived from any Asset described in Clause 3.1 (*Creation of fixed security*) (referred to in paragraph 1 of Part III of this Schedule);

"Secured Sums" all Indebtedness covenanted to be paid or discharged by the Charging Company to the Security Agent for the Beneficiaries under Clause 2.1 (*Covenant to pay*) as described in Part II of this Schedule;

"Security" includes any mortgage, charge, pledge, lien, assignment or deposit by way of security or any other agreement or arrangement having the effect of providing or giving security or preferential ranking to a creditor (including set off, title retention arrangements which do not arise in the ordinary course of trade or defeasance);

"Security Agent" Natexis Banques Populaires acting as security agent and trustee for the Beneficiaries and includes any successor appointed by the Beneficiaries pursuant to the Finance Documents;

"Security Documents" the Original Security Documents and any substituted, supplemental or additional security entered into by any member of the Group in favour of the Security Agent from time to time;

"Senior Finance Documents" the Facilities Agreement, the Hedging Documents, the Fee Letter, any Accession Letter, the Security Documents, the Intercreditor and Subordination Deed, the Security Priority Agreement and any other document designated as such by Natexis Banques Populaires (as Agent) and Gardiner Groupe Europe (as the Company) (each term as defined in the Facilities Agreement);

"Senior Finance Party" the Agent, the Security Agent, the Mandated Lead Arranger, the Bookrunner, the Lenders and the Issuing Bank (each term as defined in the Facilities Agreement);

"Specified Intellectual Property" the Intellectual Property listed in Part VII (*Specified Intellectual Property*) of this Schedule;

"Specified Investment Securities" in relation to the Charging Company, all Investment Securities:

- (a) which at the Debenture Date or thereafter represent a holding in a Subsidiary of the Charging Company or an undertaking which would be its subsidiary undertaking if in section 258(2)(a) of the Companies Act 1985 "30 per cent or more" were substituted for "a majority";
- (b) which are at the Debenture Date or thereafter held in the name of the Security Agent or its nominee or to its order; or
- (c) the certificates for which are at the Debenture Date or thereafter deposited by the Charging Company with the Security Agent or which, if uncertificated, are held in an escrow or other account in favour of the Security Agent or its nominee; and

"Subsidiary" in relation to any company, another company which is controlled by it within the meaning of Articles L.233-1 and L.233-3 of the French Code de Commerce.

Part II

Amount secured by mortgage or charge

All Indebtedness at the Debenture Date or thereafter due, owing or incurred by the Charging Company to each Beneficiary under or pursuant to the Finance Documents including all moneys, obligations and liabilities due, owing or incurred in respect of any variations or increases in the

amount or composition of the facilities provided for in the Finance Documents or the obligations and liabilities imposed thereunder.

Part III

Particulars of property mortgaged or charged

1. By Clause 3.1 (*Creation of fixed security*) the Charging Company, with full title guarantee, as security for the payment or discharge of all Secured Sums, charged to the Security Agent:
 - (a) by way of legal mortgage, all Land in England and Wales vested in it at the Debenture Date and registered at HM Land Registry as described in Part VI (*Registered Land to be Mortgaged*) of this Schedule;
 - (b) by way of legal mortgage, all Land in England and Wales vested in it at the Debenture Date and not registered at HM Land Registry;
 - (c) by way of fixed charge:
 - (i) all other Land which is at the Debenture Date or thereafter becomes, its property;
 - (ii) all interests and rights in or relating to Land or the proceeds of sale of Land at the Debenture Date or thereafter belonging to it;
 - (iii) all plant and machinery at the Debenture Date or thereafter attached to any Land which, or an interest in which, is charged by it under the provisions of Clause 3.1 described in paragraph 1(a) to 1(c)(ii) (inclusive) above;
 - (iv) all rental and other income and all debts and claims at the Debenture Date or thereafter due or owing to it under or in connection with any lease, agreement or licence relating to Land;
 - (v) all Specified Investment Securities which are at the Debenture Date, or thereafter become, its property;
 - (vi) all Derivative Rights at the Debenture Date or thereafter accruing in respect of its Specified Investment Securities;
 - (vii) all insurance or assurance contracts or policies at the Debenture Date or thereafter held by or otherwise benefiting it which relate to Fixed Charge Assets or which are at the Debenture Date or thereafter deposited by it with the Security Agent, together with all its rights and interests in such contracts and policies (including the benefit of all claims arising and all money payable under them);
 - (viii) all its goodwill and uncalled capital for the time being;
 - (ix) all Specified Intellectual Property belonging to it;
 - (x) all other Intellectual Property belonging to it at the Debenture Date, including any Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others;

- (xi) all Intellectual Property that may be acquired by or belong to it after the Debenture Date, including any such Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others;
 - (xii) the benefit of all agreements and licences at the Debenture Date or thereafter entered into or enjoyed by it relating to the use or exploitation of any Intellectual Property in any part of the world;
 - (xiii) all its rights at the Debenture Date or thereafter in relation to trade secrets, confidential information and knowhow in any part of the world;
 - (xiv) all its rights and causes of action in respect of infringement(s) (past, present or future) of the rights referred to in sub-paragraphs 1(c)(ix) to (xiii) inclusive above;
 - (xv) all trade debts at the Debenture Date or thereafter owing to it;
 - (xvi) all debts owing to it as described in Part VIII (*Details of Debts Owing to the Charging Company by another member of the Group which are subject to a fixed charge*) of this Schedule;
 - (xvii) all other debts at the Debenture Date or thereafter owing to it, excluding those arising on fluctuating accounts with other members of the Group;
 - (xviii) the benefit of all instruments, guarantees, charges, pledges and other security and all other rights and remedies available to it in respect of any Fixed Charge Asset;
 - (xix) all its interests and rights (if any) in or to any money at any time standing to the credit of any Collection Account;
 - (xx) all rights, money or property accruing or payable to it at the Debenture Date or thereafter under or by virtue of a Fixed Charge Asset except to the extent that such rights, money or property are for the time being effectively charged by fixed charge as described in the foregoing provisions of this paragraph 1;
 - (xxi) all money at any time standing to the credit of any Realisation Account; and
 - (xxii) the benefit of all licences, consents and authorisations held in connection with its business or the use of any Asset and the right to recover and receive all compensation which may be payable in respect of them.
2. By Clause 3.2 (*Creation of floating charge*), the Charging Company, with full title guarantee, charged to the Security Agent as security for the payment of all Secured Sums, by way of floating charge:
- (a) all its Assets except to the extent that such Assets are for the time being effectively charged by any fixed charge referred to in paragraph 1 above including any Assets comprised within a charge which is reconverted under Clause 4.4 (*Reconversion*); and
 - (b) without exception, all its Assets insofar as they are for the time being situated in Scotland.
3. By Clause 3.6 (*Leases Restricting Charging*), the parties to the Debenture agreed that there shall be excluded from the charge created by Clause 3.1 (*Creation of fixed security*)

(and referred to in paragraph 1 above) any leasehold property held by the Charging Company under a lease which either precludes absolutely or conditionally (including requiring the consent of any third party) the Charging Company from creating any charge over its leasehold interest in that property until the relevant condition or waiver has been satisfied or obtained. Forthwith upon receipt of the relevant waiver or consent, the relevant formerly excluded property shall be charged to the Security Agent under clause 3.1 (*Creation of Fixed Security*).

4. By Clause 3.7 (*Intellectual Property rights restricting charging*), the parties to the Debenture agreed that there shall be excluded from the charge created by Clause 3.1 (*Creation of fixed security*) (and referred to in paragraph 1 above) any Intellectual Property or other assets referred to in Clause 3.1(ix) to (xiv) (referred to in paragraphs 1(c) (ix) to (xiv) above) in which the Charging Company has an interest under any licence or other agreement which either precludes absolutely or conditionally (including requiring the consent of any third party) the Charging Company from creating any charge over its interest in that Intellectual Property or other assets until the relevant condition or waiver has been satisfied or obtained. Forthwith upon receipt of the relevant waiver or consent, the relevant formerly excluded intellectual property right shall stand charged to the Security Agent under Clause 3.1 (*Creation of Fixed Security*).

Part IV

Covenants and Restrictions

1. By Clause 3.2 (*Creation of floating charge*), the Charging Company agreed that it shall not, without the consent of the Security Agent, sell, transfer, part with or dispose of any Asset referred to in paragraph 2 of Part III of this Schedule except by way of sale in the ordinary course of its business or as expressly permitted by the terms of any Finance Document.
2. By Clause 6.1 (*Collection Account*), the Charging Company agreed to collect and realise all its Receivables and, immediately on receipt, pay all money so collected into the Collection Account. The Charging Company agreed, pending such payment, to hold all money so received upon trust for the Security Agent.
3. By Clause 6.3 (*No Derogation*), the Charging Company agreed, except as expressly permitted by the Finance Documents, not to purport, without the Security Agent's prior written consent, to charge, factor, discount, assign, postpone, subordinate, release or waive its rights in respect of any Receivable in favour of any person or do or omit to do anything which might delay or prejudice its full recovery.
4. By Clause 7 (*Negative Pledge and other restrictions*) the Charging Company agreed that it shall not, without the prior written consent of the Security Agent:
 - (a) (except for Permitted Security) create, or agree or attempt to create, or permit to subsist, any Security or any trust over any of its Assets; or
 - (b) (except for any disposal expressly permitted by the Finance Documents) sell, assign, lease, license or sub-license, or grant any interest in, any of its Fixed Charge Assets, or part with possession or ownership of them, or purport or agree to do so.
5. By Clause 10.2 (*Negative covenants*), the Charging Company agreed that without the prior written consent of the Security Agent it shall not:

- (a) in respect of Material Land, create or permit to arise any overriding interest or any easement or right whatever in or over it which would be reasonably likely to affect adversely its value or the value of the Security constituted by the Debenture over it;
 - (b) exercise any power of leasing in relation to its Material Land;
 - (c) give any licence to assign or underlet in relation to its Material Land which would be reasonably likely to affect adversely its value or the value of the Security constituted by the Debenture over it;
 - (d) part with possession of its Material Land (except on the determination of any lease, tenancy or licence granted to it) or except as expressly permitted by the terms of any other Finance Document; or
 - (e) share the occupation of any Material Land with any other person or agree to do so.
6. By Clause 11.2 (*Negative covenants*), the Charging Company agreed that, without the prior written consent of the Security Agent, it shall not amend the specification of any registered trade mark included in its Intellectual Property Rights and which is material to its business.
7. By Clause 12.3 (*Negative covenant*), the Charging Company covenanted with the Security Agent that it will not, without the prior written consent of the Security Agent, consent to its Specified Investment Securities being consolidated, sub-divided or converted.

Part V

The Chargors

Name of Chargor	Registered Number
Othello Solutions Limited (to be renamed Gardiner Group Europe Holding (UK) Limited)	4541361
The Gardiner Group Limited	2005506
Security Distribution Group Limited	1322200

Part VI

**Registered Land to be mortgaged under Clause 3.1 (*Creation of fixed security*) of the
Debenture.**

Name of Chargor/Registered Proprietor	Description of Property	Title Number
Security Distribution Group Limited	Unit 18, Phoenix Park, Avenue Road, Aston	WM500249
Security Distribution Group Limited	Unit 2, Sussex Street, Bristol	AV159747
Security Distribution Group Limited	Unit 16, Capitol Industrial Park, Capitol Way	NGL513836
Security Distribution Group Limited	Unit 9, Chelsea Fields, Western Road	SGL424592
Security Distribution Group Limited	Unit 5, Theale Industrial Estate, Station Road, Theale	BK277819
Security Distribution Group Limited	Unit 37, Waybridge Industrial Park, Daniel Adamson Road, Salford	GM505035
Security Distribution Group Limited	Land and buildings lying to the north-east of Gipsy Lane, Rochdale	GM470674
Security Distribution Group Limited	Unit 3, Cardiff Industrial Estate, Llanishen and parking spaces	WA472112

Part VII

Specified Intellectual Property

Mark	Registration Date	Registration No.	Country	Registered Proprietor
Logo Vantage	10 November 1995	1576428	UK	Security Distribution Group Limited
GG Logo	26 October 1983	1171246	UK	Security Distribution Group Limited

Part VIII

Details of debts owing to the Charging Company by another member of the Group which are subject to a fixed charge

All debts owing to the Charging Company under or in connection with the intra-group funding agreement dated 30 June 2003 and made between (1) Lisbonne Finance 3 (renamed Gardiner Groupe Europe) and Othello Solutions Limited (to be renamed Gardiner Group Europe Holding (UK) Limited) (as borrowers) and (2) the Chargors (as lenders).

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 01322200

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 30th JUNE 2003 AND CREATED BY SECURITY DISTRIBUTION GROUP LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE CHARGING COMPANY TO EACH BENEFICIARY 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 11th JULY 2003.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 16th JULY 2003.

R. P. H.



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES