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in black type, or
bold block lettering

*insert full name
of Company

COMPANIES FORM No. 395

205290 1117

Particulars of a mortgage or charge

395

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

1117

6473281

Name of company

* Britton Flexibles Limited (the "Chargor")

Date of creation of the charge

25 February 2008

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

Composite Guarantee and Debenture (the "Debenture")

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of any Group Company to the Chargee under or pursuant to each or any Investment Document together with all costs, charges and expenses incurred by the Chargee in connection with the protection, preservation or enforcement of its respective rights under the Investment Documents or any other document evidencing or securing any such liabilities, provided that no obligation or liability shall be included in the definition of "Secured Obligations" to the extent that, if it were so included, the Debenture (or any part of it) would constitute unlawful financial assistance within the meaning of sections 151 and 152 of the Companies Act 1985 (the "Secured Obligations")

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

HSBC Investment Bank Holdings Plc (the "Chargee") of 8 Canada Square,
London

Postcode E14 5HQ

Presenter's name address and
reference (if any)

Eversheds LLP
115 Colmore Row, Birmingham
B3 3AL

~~DX 13004 Birmingham 1~~

For official Use (02/06)
Mortgage Section

Post room

WEDNESDAY



AR5GVXR5

A19

05/03/2008

271

COMPANIES HOUSE

Time critical reference
bir_corp/1178550

Short particulars of all the property mortgaged or charged

Please refer to Addendum 4/4

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

Good
Unrecorded
Book

Particulars as to commission allowance or discount (note 3)

N/A

Signed

Armeds up

Date

4 March 2008

On behalf of ~~XXXXXXXXXXXX~~ (chargee) †

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

† delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395) If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398) A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No 398 is submitted
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given
- 3 In this section there should be inserted the amount or rate per cent of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his,
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return The rate of interest payable under the terms of the debentures should not be entered
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is Companies House, Crown Way, Cardiff CF14 3UZ

Name of company

*insert full name
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Addendum 1/4

1 Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

N/A

Addendum 2/4

2 Amount due or owing on the mortgage or charge (continued)

N/A

Addendum 3/4

3 Names, addresses and descriptions of the mortgages or persons entitled to the charge (continued)

N/A

Addendum 4/4

4 Short particulars of all the property mortgaged or charged (continued)

1. GUARANTEE AND INDEMNITY

Each Charging Company irrevocably and unconditionally:

(a) guarantees in favour of the Chargee punctual performance by each Group Company of all obligations of each Group Company under the Investment Documents,

(b) undertakes in favour of the Chargee that whenever a Group Company does not pay any amount when due under, or in connection with, any Investment Document, such Charging Company shall immediately on demand pay that amount as if it were the principal obligor, and

(c) indemnifies the Chargee immediately on demand against any cost, loss or liability suffered by the Chargee, if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which the Chargee would otherwise have been entitled to recover.

2. COVENANT TO PAY

(a) Each Charging Company, as principal obligor and not merely as surety, covenants in favour of the Chargee that it will pay and discharge the Secured Obligations from time to time when they fall due

(b) Every payment by a Charging Company of a Secured Obligation which is made to or for the benefit of the Chargee to which that Secured Obligation is due and payable in accordance with the Investment Document under which such sum is payable to the Chargee shall operate in satisfaction to the same extent of the covenant contained in clause 3 1(a) of the Debenture (paragraph 2(a) above)

3. FIXED CHARGES

Name of company

*insert full name
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Each Charging Company charges and agrees to charge all of its present and future rights, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest

(a) by way of first legal mortgage (subject to the Intercreditor Agreement):

(1) the Property (if any) specified in part 1 of schedule 3 to the Debenture (*Details of Security Assets*),

(11) all other Property (if any) at the date of the Debenture vested in, or charged to, such Charging Company (not charged by clause 5 1(a) (1) of the Debenture (paragraph 3(a) (1) above),

(b) by way of first fixed charge (subject to the Intercreditor Agreement).

(1) all other Property and all interests in Property (not charged by clause 5 1(a) of the Debenture (paragraph 3(a) above)),

(11) all licences to enter upon or use land and the benefit of all other agreements relating to land, and

(111) the proceeds of sale of all Property,

(c) by way of first fixed charge (subject to the Intercreditor Agreement) all plant and machinery (not charged by clauses 5 1(a) or 5 1(b) of the Debenture (paragraphs 3(a) and 3(b) above) and the benefit of all contracts, licences and warranties relating to the same;

(d) by way of first fixed charge (subject to the Intercreditor Agreement)

(1) all computers, vehicles, office equipment and other equipment (not charged by clause 5 1(c) of the Debenture); and

(11) the benefit of all contracts, licences and warranties relating to the same,

(other than any which are at that time part of any Charging Company's stock-in-trade or work-in-progress);

(e) by way of

(1) first fixed charge (subject to the Intercreditor Agreement) the Charged Securities referred to in part 2 of schedule 3 to the Debenture (*Details of Security Assets*),

(11) first fixed charge (subject to the Intercreditor Agreement) all other Charged Securities (not charged by clause 5 1(e) (1) of the Debenture (paragraph 3(e) (1) above)), in each case, together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which such Charging Company may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments,

(f) by way of first fixed charge (subject to the Intercreditor Agreement) all accounts of such Charging Company with any bank, financial institution or other person and all monies at any time standing to the credit of such accounts, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing,

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(g) by way of first fixed charge (subject to the Intercreditor Agreement)

(1) the Intellectual Property (if any) specified in part 3 of schedule 3 to the Debenture (*Details of Security Assets*); and

(11) all other Intellectual Property (if any) (not charged by clause 5 1(g)(1) of the Debenture (*Fixed charges*)),

(h) to the extent that any Assigned Asset is not effectively assigned under clause 5.2 of the Debenture (*Security assignments*), by way of first fixed charge (subject to the Intercreditor Agreement), such Assigned Asset,

(1) by way of first fixed charge (to the extent not otherwise charged or assigned in the Debenture and subject to the Intercreditor Agreement)

(1) the benefit of all licences, consents, agreements and authorisations held or used in connection with the business of such Charging Company or the use of any of its assets, and

(11) any letter of credit issued in favour of such Charging Company and all bills of exchange and other negotiable instruments held by it, and

(j) by way of first fixed charge (subject to the Intercreditor Agreement) all of the goodwill and uncalled capital of such Charging Company

4. FLOATING CHARGE

Each Charging Company charges and agrees to charge by way of first floating charge (subject to the Intercreditor Agreement) all of its present and future

(a) assets and undertaking (wherever located) not otherwise effectively charged by way of first fixed mortgage or charged or assigned pursuant to clause 5 1 of the Debenture (*Fixed charges*), clause 5.2 of the Debenture (*Security assignments*) or any other provision of the Debenture, and

(b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland

5. CONTINUING SECURITY

The Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. The Debenture shall remain in full force and effect as a continuing security for the duration of the Security Period.

6. RESTRICTIONS ON DEALING

No Charging Company shall do or agree to do any of the following without the prior written consent of the Chargee (such consent not to be unreasonably withheld or delayed):

(a) create or permit to subsist any Security Interest on any Security Asset except an encumbrance which is permitted by the Senior Facilities Agreement or the Mezzanine Facility Agreement,

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* Britton Flexibles Limited (the "Chargor")

(b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset except for a disposal which is permitted by the Senior Facilities Agreement or Mezzanine Facility Agreement

7. SET-OFF

(a) The Chargee may (but shall not be obliged to) set off any obligation which is due and payable by the Charging Companies and unpaid (whether under the Investment Documents or which has been assigned to the Chargee by any other Charging Company) against any obligations (whether or not matured) owed by the Chargee to such Charging Company, regardless of the place of payment, booking branch or currency of either obligation

(b) If the obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off

(c) If either obligation is unliquidated or unascertained, the Chargee may set off in an amount estimated by it in good faith to be the amount of that obligation

8. FURTHER ASSURANCE

The Charging Companies shall, at their own expense, promptly take whatever action the Chargee or a Receiver may reasonably require for:

(a) creating, perfecting or protecting the Security Interests intended to be created by this Debenture, and

(b) facilitating the realisation of any Security Asset or the exercise of any right, power or discretion exercisable by the Chargee or any Receiver or Delegate in respect of any Security Asset,

including the execution of any transfer, conveyance, assignment or assurance of any property whether to the Chargee or to its nominees, the giving of any notice, order or direction and the making of any registration which in any such case the Chargee may think expedient

DEFINITIONS

The following definitions are used in this form

"**Accession Deed**" means an accession deed substantially in the form set out in schedule 8 to the Debenture (*Form of Accession Deed*)

"**Assigned Assets**" means the Security Assets expressed to be assigned pursuant to clause 5.2 to the Debenture (*Security assignments*)

"**Charged Accounts**" means each account charged by or pursuant to the Debenture

"**Charged Investments**" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities

"**Charged Securities**" means (a) the securities listed in part 2 of schedule 3 to the

Name of company

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Debenture (*Details of security assets*); and (b) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "investments" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of the Deed) now or in future owned (legally or beneficially) by a Charging Company, held by a nominee on its behalf or in which such Charging Company has an interest at any time

"**Charging Companies**" means the Chargor, Britton Holdings Limited (company number 5021852), Britton Group (Holdings) Limited (company number 3540803), Britton Group Limited (company number 3541144), Britton Taco Limited (company number 2233869), Merlin Group Holdings Limited (company number 2888971), Britton Security Packaging Limited (company number 339276), Britton Merlin Limited (company number 815053) and Britton Decoflex Limited (company number 323279) and any other company which accedes to the Debenture pursuant to an Accession Deed (each a "**Charging Company**")

"**Company**" means Britton Holdings Limited, a company incorporated and registered under the laws of England and Wales with number 5021852 with its registered office at c/o Britton Taco Limited, Road One Industrial Estate, Winsford, Cheshire CW7 3RD

"**Delegate**" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Chargee or by a Receiver

"**Group Companies**" means the Company and each of its subsidiaries from time to time

"**Intellectual Property**" means all present and future legal rights and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of each Charging Company in, or relating to, registered and unregistered trade marks and service marks, patents, registered designs, utility models, applications for any of the foregoing, trade names, copyrights, design rights, unregistered designs, inventions, confidential information, know-how, registrable business names, database rights, domain names and any other rights of every kind deriving from or through the exploitation of any of the foregoing (including, without limitation, the intellectual property rights (if any) specified in part 3 of schedule 3 to the Debenture (*Details of Security Assets*))

"**Intercreditor Agreement**" means the intercreditor agreement dated the same date as the Debenture and made between, inter alios, Britton Flexibles Limited, HSBC Corporate Trustee Company (UK) Limited as Security Agent, HSBC Bank plc as senior agent, HSBC Bank plc as senior arranger, HSBC Bank plc as mezzanine arranger, HSBC Bank plc as mezzanine agent, the Lenders, the Ancillary Lenders, the Hedge Counterparties, the Mezzanine Lenders, the Chargee as the Institutional Investor Loan Note Holders, the Management Loan Note Holders, the Invoice Discounting Facility Provider and certain others (as defined therein)

"**Investment Agreement**" means the agreement between (1) Britton Flexibles Limited, (2) Michael Clark and others and (3) the Chargee

"**Investment Document**" means the Investment Agreement, the Investor Loan Note Instrument and all other documents to be entered into in connection with those documents as the same may be amended, supplemented, varied or replaced from time to time

"**Mezzanine Facility Agreement**" means the mezzanine facility agreement dated on or around the same date as the Debenture and made between amongst others (1) Britton Flexibles Limited, (2) the companies listed in part 1 of schedule 1 to the Debenture as Original Borrowers, (3) the companies listed in part 1 of schedule 1 to the Debenture

Name of company

*insert full name
of Company

* Britton Flexibles Limited (the "Chargor")

as Original Guarantors, (4) HSBC Bank plc as Mezzanine Arranger, (5) the financial institutions listed in part 2 of schedule 1 to the Debenture as Original Mezzanine Lenders, (6) HSBC Bank plc as Mezzanine Agent and (7) HSBC Corporate Trustee Company (UK) Limited as Security Agent in relation to a £10,000,000 mezzanine facility agreement (as supplemented, amended and/or novated from time to time) together with its successors, permitted assigns and transferees

"**Properties**" means all estates and interests in freehold, leasehold and other immovable property (wherever situated) now or in future belonging to any Charging Company, or in which any Charging Company has an interest at any time (including the registered and unregistered land (if any) in England and Wales specified in part 1 of schedule 3 to the Debenture (*Details of Security Assets*)), together with

(a) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon;

(b) all easements, rights and agreements in respect thereof; and

(c) the benefit of all covenants given in respect thereof

"**Receiver**" means any receiver, receiver and manager or administrative receiver appointed by the Chargee under the Debenture

"**Related Rights**" means, in relation to any Charged Security.

(a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition,

(b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise

"**Relevant Contract**" means (if any) each agreement specified in part 4 of schedule 3 to the Debenture (*Details of Security Assets*) together with each other agreement supplementing or amending or novating or replacing the same

"**Security**" means the Security Interests created by or pursuant to the Debenture

"**Security Assets**" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to the Debenture

"**Security Interest**" means any mortgage, pledge, lien, charge, assignment by way of security, hypothecation, security interest, title retention, preferential right or trust arrangement or any other security agreement or arrangement having the effect of security

"**Security Period**" means the period beginning on the date of the Debenture and ending on the date on which

(a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and

(b) the Chargee has no further commitment, obligation or liability under or pursuant to the Investment Documents

6473281

Name of company

*insert full name
of Company

* Britton Flexibles Limited (the "Chargor")

"**Senior Facilities Agreement**" means the senior sterling term facilities agreement dated on or around the same date as the Debenture and made between amongst others (1) Britton Flexibles Limited, (2) the Original Borrowers as defined therein, (3) the Original Guarantors as defined therein, (4) HSBC Bank plc as Arranger, (5) the Original Lenders as defined therein, (6) HSBC Bank plc as Agent, (7) HSBC Corporate Trustee Company (UK) Limited as Security Agent, (8) HSBC Invoice Finance (UK) Limited as Invoice Discounting Facility Provider and (9) HSBC Bank plc as Ancillary Lender, pursuant to which the Original Lenders agreed to make certain facilities available to the Borrowers (as defined therein)

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

**COMPANY NO. 6473281
CHARGE NO. 2**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A COMPOSITE GUARANTEE AND
DEBENTURE DATED 25 FEBRUARY 2008 AND CREATED BY
BRITTON FLEXIBLES LIMITED FOR SECURING ALL MONIES
DUE OR TO BECOME DUE FROM ANY GROUP COMPANY TO
HSBC INVESTMENT BANK HOLDINGS PLC ON ANY ACCOUNT
WHATSOEVER 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 5 MARCH 2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 11 MARCH 2008



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

PJ