

FORM PTO-1618A

Expires 06/30/99  
OMB 0651-0027

1-24-01

02-15-2001



U.S. Department of Commerce  
Patent and Trademark Office  
TRADEMARK

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RECORDATION FORM COVER SHEET  
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TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)  
Document ID #
- Correction of PTO Error  
Reel #  Frame #
- Corrective Document  
Reel #  Frame #

Conveyance Type

- Assignment  License
  - Security Agreement  Nunc Pro Tunc Assignment
  - Merger  Change of Name
  - Other
- Effective Date  
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Name

Effective Date  
Month Day Year

Formerly

- Individual  General Partnership  Limited Partnership  Corporation  Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

- Individual  General Partnership  Limited Partnership  Corporation  Association
- Corporation  Association
- Other
- Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

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Mail documents to be recorded with required cover sheet(s) information to:

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TRADEMARK

REEL: 002235 FRAME: 0736

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number (212) 878-8053

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

38

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

**Trademark Application Number(s)**

**Registration Number(s)**

74682411		


**Number of Properties**

Enter the total number of properties involved

#

1

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

40

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

18-1843

Authorization to charge additional fees:

Yes

No

**Statement and Signature**

*To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.*

Christine F. Benton

1/19/01

Name of Person Signing

Signature

Date Signed

**EXECUTION COPY**

**NORTHERN & SHELL PLC**

**AS COMPANY**

**IN FAVOUR OF**

**COMMERZBANK AKTIENGESELLSCHAFT, LONDON BRANCH**

**AS TRUSTEE**

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**DEBENTURE**

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To: H.M. Chief Land Registrar. Note: This deed contains (in Clause 5.4 (*Land Registration*)) an application to enter a restriction on the Proprietorship Register and (in Clause 5.6 (*Further Advances*)) an application to enter a notice on the Charges Register.

We hereby certify this to  
be a true copy of the original  
Signed: *Clifford Chance*  
CLIFFORD CHANCE  
LIMITED LIABILITY PARTNERSHIP  
200 Aldersgate Street  
London EC1A 4JJ

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THIS DEBENTURE is made on 22 November 2000

BY

- (1) NORTHERN & SHELL PLC registered in England and Wales with company number 1633971 (the "Company") in favour of
- (2) COMMERZBANK AKTIENGESELLSCHAFT, LONDON BRANCH as trustee for the Secured Parties (the "Trustee").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Debenture:

"Account" means any credit balance from time to time on any account opened or maintained by the Company with the Trustee or any other financial institution and all Related Rights.

"Assigned Accounts" means the Holding Account, if any, (and any renewal or redesignation thereof) maintained with the Trustee by the Company, the Mandatory Prepayment Account, if any, (and any renewal or redesignation thereof) maintained with the Trustee by the Company and any other Account that may from time to time be identified in writing as an Assigned Account by the Trustee.

"Charged Property" means all the assets of the Company which from time to time are the subject of the security created or expressed to be created in favour of the Trustee by or pursuant to this Debenture.

"Collateral Rights" means all rights, powers and remedies of the Trustee provided by or pursuant to this Debenture or by law.

"Insurance Policy" means any policy of insurance (including life insurance or assurance) in which the Company may from time to time have an interest.

"Intellectual Property" means any patents, trade marks (including without limitation those listed in Schedule 4), service marks, goodwill, designs, business names, internet domain names and e-mail addresses, database rights, copyrights, design rights, moral rights, rights in inventions, confidential information and knowhow and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and rights to use such assets and all Related Rights anywhere in the world.

"Investments" means any stocks, shares, debentures, securities and other investments, assets, rights or interests falling within Part I of Schedule 1 to the Financial Services Act 1986 (as in force at the date hereof but so that the exceptions in the notes to paragraphs 2 and 5 and note (1) to paragraph 8 of that Part shall not apply) (but not including the Shares) whether held directly by or to the order of the Company or by

any trustee, fiduciary or clearance system on its behalf and all Related Rights (including all rights against any such trustee, fiduciary or clearance system).

"**Monetary Claims**" means any book and other debts and monetary claims owing to the Company and any proceeds thereof (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment, any contract or agreement to which the Company is a party and any other assets, property, rights or undertaking of the Company).

"**Notice of Assignment**" means a notice of assignment in substantially the form set out in Schedule 2 or in such form as may be specified by the Trustee.

"**Notice of Assignment of Assigned Accounts**" means a notice of assignment in substantially the form set out in Schedule 2B (*Form of Notice of Assignment of Assigned Accounts*) or in such form as may be specified by the Trustee.

"**Notice of Assignment of Insurance Policies**" means a notice of assignment in substantially the form set out in Schedule 2A (*Form of Notice of Assignment of Insurance*) or such form as may be specified by the Trustee.

"**Notice of Assignment of Specific Contracts**" means a notice of assignment in substantially the form set out in Schedule 2C (*Form of Notice of Assignment*) or in such form as may be specified by the Trustee.

"**Real Property**" means:

- (a) any freehold, leasehold or immovable property (including the freehold and leasehold property in England and Wales specified in Schedule 1 (*Details of Real Property*)), and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property,

and includes all Related Rights.

"**Receiver**" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property.

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

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

**"Secured Parties"** means the Finance Parties and any Receiver.

**"Shares"** means all of the shares in the capital of The Green Magazine Co Limited (registered in England and Wales with company number 2403686), Sightline Publications Limited (registered in England and Wales with company number 1510224), Northern & Shell Services Limited (registered in England and Wales with company number 2871192), Northern & Shell Distribution Limited (registered in England and Wales with company number 2794459), OK Magazines Limited (registered in England and Wales with company number 2768369), Sorse Distributions Limited (registered in England and Wales with company number 1789615), Chic Magazines Limited (registered in England and Wales with company number 300449), The Northern & Shell Tower Management Services Limited (registered in England and Wales with company number 2805229), United Leisure Magazines Limited (formerly known as Burginhall 677 Limited) (registered in England and Wales with company number 2789921), Export Magazine Distributions Limited (registered in England and Wales with company number 2711709), Tower Magazines Limited (registered in England and Wales with company number 2528573) and Northern & Shell Videos Limited (registered in England and Wales with company number 2729730) held by, to the order or on behalf of the Company at any time.

**"Specific Contracts"** means those contracts listed in Schedule 3 ("*The Specific Contracts*").

**"Tangible Moveable Property"** means any plant, machinery, office equipment, computers, vehicles and other chattels and all Related Rights.

## 1.2 **Third Party Rights**

A person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Debenture.

## 2. **COVENANT TO PAY**

The Company hereby covenants with the Trustee to pay, discharge and satisfy the Secured Obligations in accordance with their respective terms and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Obligations in accordance with their respective terms provided that neither such covenant nor the security constituted by this Debenture shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or security to be unlawful or prohibited by any applicable law.

## 3. **FIXED CHARGES, ASSIGNMENTS AND FLOATING CHARGE**

### 3.1 **Fixed Charges**

The Company hereby charges with full title guarantee in favour of the Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Company at the date hereof shall be a charge by way of legal



mortgage) all the Company's right, title and interest from time to time in and to each of the following assets (subject to obtaining any necessary consent to such mortgage or fixed charge from any third party):

- 3.1.1 the Real Property;
- 3.1.2 the Tangible Moveable Property;
- 3.1.3 the Accounts;
- 3.1.4 the Intellectual Property;
- 3.1.5 any goodwill and rights in relation to the uncalled capital of the Company;
- 3.1.6 the Investments;
- 3.1.7 the Shares, all dividends, interest and other monies payable in respect of the Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise);
- 3.1.8 all Monetary Claims other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Debenture and all Related Rights.

### **3.2 Assignments**

The Company hereby assigns with full title guarantee to the Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations all the Company's right, title and interest from time to time in and to each of the following assets (subject to obtaining any necessary consent to that assignment from any third party):

- 3.2.1 subject to clause 6.3.2, each of the Specific Contracts;
- 3.2.2 the proceeds of any Insurance Policy and all Related Rights;
- 3.2.3 all rights and claims in relation to any Assigned Account.

### **3.3 Floating Charge**

The Company hereby charges with full title guarantee in favour of the Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations by way of first floating charge the whole of the Company's undertaking and assets, present and future, other than any assets validly and effectively charged or assigned (whether at law or in equity) by way of fixed security under the laws of England and Wales, or of the jurisdiction in which that asset is situated, in favour of the Trustee as security for the Secured Obligations.

### **3.4 Exceptions to the Security**

The security created pursuant to this Clause 3 shall not extend to any asset situated outside England and Wales to the extent that, and for so long as, any such security would be unlawful under the laws of the jurisdiction in which such asset is situated.

#### 4. CRYSTALLISATION OF FLOATING CHARGE

##### 4.1 Crystallisation: By Notice

The Trustee may at any time by notice in writing to the Company convert the floating charge created by Clause 3.3 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- 4.1.1 an Event of Default has occurred and is continuing; or
- 4.1.2 the Trustee reasonably considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process.

##### 4.2 Crystallisation: Automatic

Notwithstanding Clause 4.1 (*Crystallisation: By Notice*) and without prejudice to any law which may have a similar effect, the floating charge will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if:

- 4.2.1 the Company creates or attempts to create any Encumbrance (other than a Permitted Encumbrance) over any of the Charged Property; or
- 4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Property in respect of indebtedness exceeding £250,000 (or equivalent) in aggregate for the Group; or
- 4.2.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Company.

#### 5. PERFECTION OF SECURITY

##### 5.1 Notices of Assignment

The Company shall deliver to the Trustee (or procure delivery of) Notices of Assignments duly executed by, or on behalf of, the Company:

- 5.1.1 in respect of each Assigned Account, on the date of this Debenture or promptly upon the designation at any time by the Trustee of any Account as an Assigned Account;
- 5.1.2 in respect of the proceeds of any Insurance Policy, within 10 days of the date of this Debenture; and
- 5.1.3 in respect of any other asset which is the subject of an assignment pursuant to Clause 3.2 (*Assignments*) promptly upon the request of the Trustee from time to time,

and in each case shall use all reasonable endeavours to procure that each notice is acknowledged by the obligor or debtor specified by the Trustee. If the Trustee proposes to require the delivery of a notice of assignment pursuant to Clause 5.1.3 at any time prior to the occurrence of an Event of Default, it will consult with the

Company with a view to agreeing such amendments (not adversely affecting the rights of the Trustee in any way) to the forms of notice as set out in Schedule 2 as the Company may reasonably request.

## 5.2 Notices of Charge

5.2.1 The Company shall if requested by the Trustee from time to time promptly deliver to the Trustee (or procure delivery of) notices of charge (in form and substance reasonably satisfactory to the Trustee) duly executed by, or on behalf of, the Company and acknowledged by each of the banks or financial institutions with which any of the Accounts are opened or maintained.

5.2.2 The execution of this Debenture by the Company and the Trustee shall constitute notice to the Trustee of the charge created over any Account opened or maintained with the Trustee.

5.2.3 On or after the occurrence of an Event of Default which is continuing, the Company shall, if requested by the Trustee, from time to time deliver to any third party who has rights or obligations against the Company with respect to Monetary Claims, notice of the assignment of the Company's rights against those third parties to the Trustee.

## 5.3 Real Property: Delivery of Documents of Title

The Company shall upon the acquisition by the Company after the date of this Debenture of any interest in any freehold, leasehold or other immovable property, deliver (or procure delivery) to the Trustee of, and the Trustee shall be entitled to hold and retain, all deeds, certificates and other documents of title relating to such property.

## 5.4 Land Registration

The Company hereby applies to H.M. Chief Land Registrar to enter the following restriction in the Proprietorship Register of any property which is, or is required to be, registered forming part of the Real Property.

"Except under an Order of the Registrar no transfer, disposition, dealing, charge or mortgage by the proprietor of the land or any transfer made in the exercise of the power of sale possessed by the holder of any subsequent charge is to be registered or noted without the consent of the proprietor for the time being of Charge No. [ ]".

## 5.5 Note of Debenture

In the case of any Real Property, title to which is or will be registered under the Land Registration Acts 1925 to 1988, acquired by or on behalf of the Company after the execution of this Debenture, the Company shall promptly notify the Trustee of the title number(s) and, contemporaneously with the making of an application to H.M. Land Registry for the registration of the Company as the Registered Proprietor thereof, apply to H.M. Chief Land Registrar to enter a Notice of this Debenture on the Charges Register of such property.

## **5.6 Further Advances**

- 5.6.1 Subject to the terms of the Facilities each Bank is under an obligation to make further Advances to the Company and that obligation will be deemed to be incorporated into this Debenture as if set out in this Debenture.
- 5.6.2 The Company hereby applies to H.M. Chief Land Registrar to enter a note of the obligation to make further Advances on the Charges register of any registered land forming part of the Charged Property.

## **5.7 Delivery of Share Certificates**

The Company shall

- 5.7.1 on the date of this Debenture, deposit with the Trustee (or procure the deposit of) all certificates or other documents of title to the Shares, and stock transfer forms (executed in blank by or on behalf of the Company); and
- 5.7.2 promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares, notify the Trustee of that occurrence and procure the delivery to the Trustee of (a) all certificates or other documents of title representing such items and (b) such stock transfer forms or other instruments of transfer (executed in blank on behalf of the Company) in respect thereof as the Trustee may request.

## **5.8 Registration of Intellectual Property**

Without prejudice to the generality of any other clause in this Debenture, the Company shall at any time or times, if requested by the Trustee, promptly execute all such documents and do all acts that the Trustee may reasonably require to record or register the interest of the Trustee in any register in the world relating to any registered Intellectual Property.

## **6. FURTHER ASSURANCE**

### **6.1 Further Assurance: General**

The Company shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Trustee may reasonably specify (and in such form as the Trustee may reasonably require in favour of the Trustee or its nominee(s)):

- 6.1.1 to perfect the security created or intended to be created in respect of the Charged Property (which may include the execution by the Company of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, Charged Property including, without limitation but for the avoidance of doubt, any mortgage, charge or assignment supplemental to this Debenture for the purposes of registration with HM Land Registry of any security created or intended to be created in respect of the Real Property) or for the exercise of the Collateral Rights;

6.1.2 to confer on the Trustee security over any property and assets of the Company located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Debenture; and/or

6.1.3 to facilitate the realisation of the Charged Property.

## 6.2 Necessary Action

The Company shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Trustee by or pursuant to this Debenture.

## 6.3 Consents

6.3.1 The Company shall use all reasonable endeavours to obtain (in form and content reasonably satisfactory to the Trustee) as soon as possible any consents necessary to enable the assets of the Company to be the subject of an effective fixed charge or assignment pursuant to Clause 3 (*Fixed Charges, Assignments and Floating Charge*) and, immediately upon obtaining any such consent, the asset concerned shall become subject to such security and the Company shall promptly deliver a copy of each consent to the Trustee.

6.3.2 If by the terms of a Specific Contract or other instrument the Company is not permitted to assign or charge an asset pursuant to Clause 3 (*Fixed Charges, Assignments and Floating Charge*) without the consent of another party to such Specific Contract or other instrument, then until such consent has been granted:

(a) no fixed charge over or assignment of such asset shall be created pursuant to Clause 3 (*Fixed Charges, Assignments and Floating Charge*); and

(b) the Company shall hold such asset on trust for the Trustee.

## 6.4 Implied Covenants for Title

The following provisions of the Law of Property (Miscellaneous Provisions) Act 1994 will not apply to Clause 3 (*Fixed Charges, Assignments and Floating Charge*):

6.4.1 the words "other than any charges, incumbrances or rights which that person does not and would not reasonably be expected to know about" in Section 3(1);

6.4.2 the words "except to the extent that" and all the words after than in Section 3(2); and

6.4.3 Section 6(2).

## **7. NEGATIVE PLEDGE AND DISPOSALS**

### **7.1 Negative Pledge**

The Company undertakes that it shall not, at any time during the subsistence of this Debenture, create or permit to subsist any Encumbrance over all or any part of the Charged Property other than a Permitted Encumbrance or create any restriction or prohibition on Encumbrances over all or any of the Charged Property.

### **7.2 No Disposal of Interests**

The Company undertakes that it shall not (and shall not agree to) at any time during the subsistence of this Debenture, except as permitted by this Clause 7 or a Permitted Disposal or a Permitted Transaction:

- 7.2.1 execute any conveyance, transfer, lease or assignment of, or other right to use or occupy, all or any part of the Charged Property;
- 7.2.2 create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of the Charged Property;
- 7.2.3 (a) grant or vary, or accept any surrender, or cancellation or disposal of, any lease, tenancy, licence, consent or other right to occupy in relation to any of the Charged Property or (b) allow any person any right to use or occupy or to become entitled to assert any proprietary interest in, or right over, the Charged Property, which may, in each case, adversely affect the value of any of the Charged Property or the ability of the Trustee to exercise any of the Collateral Rights; or
- 7.2.4 assign or otherwise dispose of any interest in any Account and no right, title or interest in relation to any Account maintained with the Trustee, or the credit balance standing to any such Account shall be capable of assignment or other disposal.

## **8. SHARES AND INVESTMENTS**

### **8.1 Shares: After Event of Default**

The Trustee may, upon the occurrence of an Event of Default, at its discretion (in the name of the Company or otherwise and without any further consent or authority from the Company):

- 8.1.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;
- 8.1.2 apply all dividends, interest and other monies arising from the Shares in or towards payment or other satisfaction of all or part of the Secured Obligations in accordance with the order of application agreed between the Trustee and the Company;
- 8.1.3 transfer the Shares into the name of such nominee(s) of the Trustee as it shall require; and

8.1.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the right, in relation to any company whose shares or other securities are included in the Charged Property, to concur or participate in:

- (a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence thereof),
- (b) the release, modification or variation of any rights or liabilities attaching to such shares or securities, and
- (c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities

in each case in such manner and on such terms as the Trustee may think fit, and the proceeds of any such action shall form part of the Charged Property.

**8.2 Investments and Shares: Payment of Calls**

The Company shall pay when due all calls or other payments which may be or become due in respect of any of the Investments and Shares, and in any case of default by the Company in such payment, the Trustee may, if it thinks fit, make such payment on behalf of the Company in which case any sums paid by the Trustee shall be deemed to be an Unpaid Sum and shall be reimbursed by the Company to the Trustee on demand and shall carry interest from the date of payment by the Trustee until reimbursed as though such moneys were, when spent by the Trustee, an Unpaid Sum.

**8.3 Investments: Delivery of Documents of Title**

After the occurrence of an Event of Default the Company shall promptly on the request of the Trustee, deliver (or procure delivery) to the Trustee, and the Trustee shall be entitled to retain, all of the Investments and any certificates and other documents of title representing the Investments to which the Company (or its nominee(s)) is or becomes entitled together with any other document which the Trustee may reasonably request (in such form and executed as the Trustee may reasonably require) with a view to perfecting or improving its security over the Investments or to registering any Investment in its name or the name of any nominee(s).

**8.4 Investments: Exercise of Rights**

The Company shall not exercise any of its rights and powers in relation to any of the Investments in any manner which would adversely affect the value of, or prejudice the ability of the Trustee to realise, the security created by this Debenture.

**9. ACCOUNTS**

**9.1 Accounts: Notification and Variation**

The Company, during the subsistence of this Debenture:

9.1.1 shall promptly deliver to the Trustee on the date of this Debenture (and, if any change occurs thereafter, on the date thereof), details of each Account maintained by it with any bank or financial institution (other than with the Trustee); and

9.1.2 shall not, without the Trustee's prior written consent, permit or agree to any variation of the rights attaching to any Account or close any Account.

**9.2 Accounts: Operation Before Event of Default**

Subject to the terms of the Facilities, the Company shall prior to the occurrence of an Event of Default be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account (other than an Assigned Account).

**9.3 Accounts: Operation After Event of Default**

After the occurrence of an Event of Default the Company shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Trustee.

**9.4 Assigned Accounts**

9.4.1 The Company shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Assigned Account except with the prior consent of the Trustee.

9.4.2 The Trustee shall, upon the occurrence of an Event of Default, be entitled without notice to exercise from time to time all rights, powers and remedies held by it as assignee of the Assigned Accounts and to:

- (a) demand and receive all and any monies due under or arising out of each Assigned Account; and
- (b) exercise all such rights as Chargor was then entitled to exercise in relation to such Assigned Account or might, but for the terms of this Debenture, exercise.

**9.5 Accounts: Application of Monies**

The Trustee shall, upon the occurrence of an Event of Default, be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Obligations in accordance with the order of application agreed between the Trustee and the Company.



## 10. MONETARY CLAIMS

### 10.1 Dealing with Monetary Claims

The Company shall not at any time during the subsistence of the Debenture, without the prior written consent of the Trustee:

10.1.1 deal with the Monetary Claims except by getting in and realising them in the ordinary and usual course of its business and paying the proceeds of those Monetary Claims into the Accounts or as the Trustee may require (and such proceeds shall be held upon trust by the Company for the Trustee on behalf of the Secured Parties prior to such payment in); or

10.1.2 factor or discount any of the Monetary Claims or enter into any agreement for such factoring or discounting.

### 10.2 Release of Monetary Claims: Before Event of Default

Prior to the occurrence of an Event of Default, the proceeds of the realisation of the Monetary Claims shall (subject to any restriction imposed under the terms of the Facilities on the application by the Company of such proceeds), upon such proceeds being credited to an Account, be released from the fixed charge created pursuant to Clause 3.1 (*Fixed Charge*) and the Company shall be entitled to withdraw such proceeds from such Account provided that such proceeds shall continue to be subject to the floating charge created pursuant to Clause 3.3 (*Floating Charge*) and the terms of this Debenture.

### 10.3 Release of Monetary Claims: After Event of Default

After the occurrence of an Event of Default the Company shall not, except with the prior written consent of the Trustee, be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any Account.

## 11. INSURANCES

### 11.1 Insurance: Undertakings

The Company shall at all times during the subsistence of this Debenture:

11.1.1 promptly pay all premiums and other moneys payable under all its Insurance Policies and promptly upon written request, produce to the Trustee a copy of each policy or certificate and evidence (reasonably acceptable to the Trustee) of the payment of such sums; and

11.1.2 if required by the Trustee (but subject to the provisions of any lease of the Charged Property), deposit all Insurance Policies relating to the Charged Property with the Trustee.

### 11.2 Insurance: Default

If the Company defaults in complying with Clause 11.1 (*Insurance: Undertakings*), the Trustee may effect or renew any such insurance on such terms, in such name(s) and in such amount(s) as it reasonably considers appropriate, and all moneys expended by the

Trustee in doing so shall be deemed to be an Unpaid Sum and shall be reimbursed by the Company to the Trustee on demand and shall carry interest from the date of payment by the Trustee until reimbursed as though such moneys were, when spent by the Trustee, an Unpaid Sum.

**11.3 Application of Insurance Proceeds**

All moneys received under any Insurance Policies relating to the Charged Property shall (subject to the rights and claims of any person having prior rights thereto) prior to the occurrence of an Event of Default, be applied in accordance with the terms of the Facilities; after the occurrence of an Event of Default, the Company shall hold such moneys upon trust for the Trustee pending payment to the Trustee for application in accordance with the order of application agreed between the Trustee and the Company and the Company waives any right it may have to require that any such monies are applied in reinstatement of any part of the Charged Property.

**12. REAL PROPERTY**

**12.1 Property: Notification**

The Company shall immediately notify the Trustee of any contract, conveyance, transfer or other disposition for the acquisition by the Company (or its nominee(s)) of any Real Property.

**12.2 Lease Covenants**

The Company shall, in relation to any lease, agreement for lease or other right to occupy to which all or any part of the Charged Property is at any time subject:

12.2.1 pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessor) on the lessor or, (if the lessee) on the lessee; and

12.2.2 not do any act or thing whereby any lease or other document which gives any right to occupy any part of the Charged Property becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its term.

**12.3 General Property Undertakings**

The Company shall:

12.3.1 repair and keep in good and substantial repair and condition all the Real Property at any time forming part of the Charged Property;

12.3.2 not at any time without the prior written consent of the Trustee (such consent not to be unreasonably withheld) sever or remove any of the fixtures forming part of the Real Property or any of the plant or machinery (other than stock in trade or work in progress) on or in the Charged Property (except for the purpose of any necessary repairs or replacement thereof); and

12.3.3 comply with and observe and perform (a) all applicable material requirements of all planning legislation, regulations and bye-laws relating to the Real

Property, (b) any material conditions attaching to any planning permissions relating to or affecting the Real Property and (c) any material notices or other orders made by any planning or other public body in respect of all or any part of the Real Property.

#### **12.4 Entitlement to Remedy**

If the Company fails to comply with any of the undertakings contained in this Clause 12, the Trustee shall be entitled (with such agents, contractors and others as it sees fit), to do such things as may in the reasonable opinion of the Trustee be required to remedy such failure and all moneys spent by the Trustee in doing so shall be deemed to be an Unpaid Sum and shall be reimbursed by the Company on demand with interest from the date of payment by the Trustee until reimbursed as though such moneys were, when spent by the Trustee, an Unpaid Sum.

### **13. INTELLECTUAL PROPERTY REPRESENTATIONS**

The Company makes the representations and warranties set out in this Clause 13 (*Intellectual Property Representations*) to the Trustee.

#### **13.1 Registered Intellectual Property**

13.1.1 Schedule 4 is a complete and accurate list of all trade mark registrations and applications owned by the Company which constitute Material Intellectual Property.

13.1.2 Each of the registered trade marks and applications for registration listed in Schedule 4 is:

- (a) in force;
- (b) legally and beneficially owned by the Company alone, free from any licence, security interest or other Encumbrance; and
- (c) is not, and (to the best of its knowledge and belief) will not be, the subject of a claim or opposition (including, without limitation, by an employee of the Company) as to title, or entitlement, validity, enforceability or otherwise.

13.1.3 All renewal and maintenance fees and taxes due and payable prior to the Closing Date in respect of the Material Intellectual Property of which it is the registered and beneficial owner have been paid in full. Nothing has been done or omitted to be done by which any of the Material Intellectual Property of which it is the registered and beneficial owner may be rendered invalid, cancelled, modified or rectified.

#### **13.2 Unregistered Intellectual Property**

All Material Intellectual Property used in the business of the Company is legally and beneficially owned by the Company alone, free from any licence, security interest or other Encumbrance and is not and (to the best of its knowledge and belief) will not be

the subject of a claim (including, without limitation, by an employee of the Group) as to title or entitlement.

### **13.3 Licences, assignments etc**

13.3.1 It has not granted nor is it obliged to grant any licence, assignment, consent, undertaking, security interest or other right in respect of any Material Intellectual Property of which it is the owner, registered proprietor or applicant for registration.

13.3.2 There are no material agreements relating to the use:

- (a) by the Company of Intellectual Property owned by another person; or
- (b) of any Intellectual Property owned by the Company, by another person.

### **13.4 Infringement of Intellectual Property**

13.4.1 There is not and (to the best of its knowledge and belief) has not been any infringement or unauthorised use of any of the Material Intellectual Property of which it is the owner, registered proprietor or applicant for registration.

13.4.2 The activities, processes, methods, products and services used, manufactured, dealt in or supplied on or during the 12 months before the date of this Debenture by the Company do not at the date of this Debenture, nor did they at the time used, manufactured, dealt in or supplied, infringe or misuse any rights in the Intellectual Property of another person. It has not received notice of any allegation that any of its activities, processes, methods, products or services infringe or misuse any rights in the Intellectual Property of another person.

13.4.3 The Intellectual Property of which it is the owner, licensee, registered proprietor, applicant for registration or authorised user comprises all the Intellectual Property necessary for it to continue to operate its business substantially as it has been operated during the 12 months before the date of this Debenture.

## **14. GENERAL UNDERTAKINGS**

The Company shall during the subsistence of the Debenture observe and perform all the obligations assumed by it under the Specific Contracts and shall diligently pursue any remedies available to it in respect of any material breach or claim arising in relation to any Specific Contract and will not make or agree to any material amendment, waiver, release or determination of any of the Specific Contracts or permit any material breach or default thereof to exist unless the board of directors of the Company has resolved after due consideration that any such action would not be in the best interests of the Company and the Trustee (acting reasonably) has consented in writing to such action not being taken.

**15. ENFORCEMENT OF SECURITY**

**15.1 Enforcement**

At any time after the occurrence of an Event of Default (as long as it is continuing) the security created by or pursuant to this Debenture is immediately enforceable and the Trustee may, without notice to the Company or prior authorisation from any court, in its absolute discretion:

15.1.1 enforce all or any part of that security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Charged Property; and

15.1.2 whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture) on mortgagees and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or Receivers.

**15.2 No Liability as Mortgagee in Possession**

Neither the Trustee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee in possession might otherwise be liable.

**16. EXTENSION AND VARIATION OF THE LAW OF PROPERTY ACT 1925**

**16.1 Extension of Powers**

The power of sale or other disposal conferred on the Trustee and on any Receiver by this Debenture shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Debenture.

**16.2 Restrictions**

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture or to the exercise by the Trustee of its right to consolidate all or any of the security created by or pursuant to this Debenture with any other security in existence at any time or to its power of sale, which powers may be exercised by the Trustee without notice to the Company on or at any time after the occurrence of an Event of Default (which is continuing).

**16.3 Power of Leasing**

The statutory powers of leasing may be exercised by the Trustee at any time on or after the occurrence of an Event of Default which is continuing and the Trustee and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925.

**17. APPOINTMENT OF RECEIVER**

**17.1 Appointment and Removal**

After the occurrence of an Event of Default which is continuing or if a petition is presented for the making of an administration order in relation to the Company or if requested to do so by the Company, the Trustee may by deed or otherwise (acting through an authorised officer of the Trustee), without prior notice to the Company:

- 17.1.1 appoint one or more persons to be a Receiver of the whole or any part of the Charged Property;
- 17.1.2 remove (so far as it is lawfully able) any Receiver so appointed; and
- 17.1.3 appoint another person(s) as an additional or replacement Receiver(s).

**17.2 Capacity of Receivers**

Each person appointed to be a Receiver pursuant to Clause 17.1 (*Appointment and Removal*) shall be:

- 17.2.1 entitled to act individually or together with any other person appointed or substituted as Receiver;
- 17.2.2 for all purposes shall be deemed to be the agent of the Company which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Trustee; and
- 17.2.3 entitled to remuneration for his services at a rate to be fixed by the Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

**17.3 Statutory Powers of Appointment**

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Trustee under the Law of Property Act 1925 (as extended by this Debenture) or otherwise and such powers shall remain exercisable from time to time by the Trustee in respect of any part of the Charged Property.

**18. POWERS OF RECEIVER**

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Company) have and be entitled to exercise, in relation to the Charged Property (and any assets of the Company which, when got in, would be Charged Property) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture (in the name of or on behalf of the Company or in his own name and, in each case, at the cost of the Company):

- 18.1.1 all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;

- 18.1.2 all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- 18.1.3 all the powers and rights of an absolute owner and power to do or omit to do anything which the Company itself could do or omit to do; and
- 18.1.4 the power to do all things (including bringing or defending proceedings in the name or on behalf of the Company) which seem to the Receiver to be incidental or conducive to (a) any of the functions, powers, authorities or discretions conferred on or vested in him or (b) the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or (c) bringing to his hands any assets of the Company forming part of, or which when got in would be, Charged Property.

## **19. PROTECTION OF PURCHASERS**

### **19.1 Consideration**

The receipt of the Trustee or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Property or making any acquisition, the Trustee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

### **19.2 Protection of Purchasers**

No purchaser or other person dealing with the Trustee or any Receiver shall be bound to inquire whether the right of the Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Trustee or such Receiver in such dealings.

## **20. POWER OF ATTORNEY**

### **20.1 Appointment and Powers**

The Company by way of security irrevocably appoints the Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- 20.1.1 carrying out any obligation imposed on the Company by this Debenture (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Property); and
- 20.1.2 enabling the Trustee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture or by law (including, after the occurrence of an Event of Default, the exercise of any right of a legal or beneficial owner of the Charged Property).

**20.2 Ratification**

The Company shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

**21. EFFECTIVENESS OF SECURITY**

**21.1 Continuing Security**

The security created by or pursuant to this Debenture shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Trustee.

**21.2 Cumulative Rights**

The security created by or pursuant to this Debenture and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Trustee or any Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior security held by the Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Property shall merge into the security constituted by this Debenture.

**21.3 No Prejudice**

The security created by or pursuant to this Debenture and the Collateral Rights shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Company or any other person, or the Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Trustee holds the security or by any other thing which might otherwise prejudice that security or any Collateral Right.

**21.4 Remedies and Waivers**

No failure on the part of the Trustee to exercise, or any delay on its part in exercising, any Collateral Right shall operate as a waiver thereof, nor shall any single or partial exercise of any Collateral Right preclude any further or other exercise of that or any other Collateral Right.

**21.5 No Liability**

None of the Trustee, its nominee(s) or any Receiver shall be liable by reason of (a) taking any action permitted by this Debenture or (b) any neglect or default in connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part.

**21.6 Partial Invalidity**

If, at any time, any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Debenture nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant



to this Debenture is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

## **22. RELEASE OF SECURITY**

### **22.1 Redemption of Security**

Upon the Secured Obligations being discharged in full and none of the Secured Parties being under any further actual or contingent obligation to make advances or provide other financial accommodation to the Company or any other person under any of the Finance Documents, the Trustee shall, at the request and cost of the Company, release and cancel the security constituted by this Debenture and procure the reassignment to the Company of the property and assets assigned to the Trustee pursuant to this Debenture, in each case subject to Clause 22.2 (*Avoidance of Payments*) and without recourse to, or any representation or warranty by, the Trustee or any of its nominees.

### **22.2 Avoidance of Payments**

If the Trustee considers that any amount paid or credited to it under any Finance Document is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the Company under this Debenture and the security constituted hereby shall continue and such amount shall not be considered to have been irrevocably paid.

### **22.3 Retention of Security**

Unless the Trustee is satisfied (acting reasonably) that Clause 22.2 (*Avoidance of Payments*) does not apply, the Trustee may retain this Debenture, the Security constituted by or pursuant to this Debenture and all documents of title, certificates and other documents relating to or evidencing ownership of all or any part of the Charged Property for a period of seven months after any discharge in full or any part of the Secured Obligations **provided that** if at any time during that seven month period a petition is presented for an order for the winding-up of, or the making of an administration order in respect of, the Company or the Company commences to be wound-up voluntarily or any analogous proceedings are commenced in respect of the Company, the Trustee may continue to retain such security and such documents for such further period as the Trustee may determine and the Security and such documents shall be deemed to have continued to have been held as security for the Secured Obligations.

## **23. SET-OFF**

The Company authorises the Trustee (but the Trustee shall not be obliged to exercise such right) to apply any credit balance to which the Company is entitled on any Account of the Company with the Trustee in satisfaction of any sum due and payable from the Company in respect of the Secured Obligations but unpaid. For this purpose, the Trustee is authorised to purchase with the moneys standing to the credit of any such account such other currencies as may be necessary to effect such application.

**24. SUBSEQUENT SECURITY INTERESTS**

If the Trustee (acting in its capacity as trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Encumbrance affecting all or any part of the Charged Property or any assignment or transfer of the Charged Property which is prohibited by the terms of this Debenture or is not a Permitted Disposal or a Permitted Encumbrance, all payments thereafter by or on behalf of the Company to the Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties shall be treated as having been credited to a new account of the Company and not as having been applied in reduction of the Secured Obligations as at the time when the Trustee received such notice.

**25. CURRENCY CONVERSION**

For the purpose of or pending the discharge of any of the Secured Obligations, the Trustee may convert any moneys received or recovered by the Trustee or any Receiver pursuant to this Debenture from one currency to another at the spot rate at which the Trustee is able to purchase the currency in which the Secured Obligations are due with the amount received. The Secured Obligations shall only be satisfied to the extent of amount of the due currency purchased after deducting the costs of conversion.

**26. ASSIGNMENT**

Subject to the terms of the Facilities, the Trustee may assign and transfer all or any of its rights and obligations under this Debenture. The Trustee shall be entitled to disclose such information concerning the Company and this Debenture as the Trustee considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

**27. DISCRETION AND DELEGATION**

**27.1 Discretion**

Any liberty or power which may be exercised or any determination which may be made hereunder by the Trustee or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

**27.2 Delegation**

Each of the Trustee and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Trustee or the Receiver itself or any subsequent delegation or revocation thereof.

**27.3 Terms of Debenture**

If and to the extent that there is a contradiction between (i) the terms of the Facilities agreed between the Company and the Finance Parties and (ii) the terms of this Debenture, the terms of the Facilities shall prevail.

28. **GOVERNING LAW**

This Debenture is governed by and construed in all respects in accordance with English law.

29. **JURISDICTION**

29.1 **English Courts**

The courts of England have exclusive jurisdiction to settle any disputes (a "Dispute") arising out of, or connected with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture or the consequences of its nullity).

29.2 **Convenient Forum**

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

29.3 **Non-Exclusive Jurisdiction**

This Clause 29 (*Jurisdiction*) is for the benefit of the Secured Parties only. As a result and notwithstanding Clause 29.1 (*English Courts*), it does not prevent any Secured Party from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Secured Parties may take concurrent proceedings in any number of jurisdictions.

**THIS DEBENTURE** has been signed on behalf of the Trustee and executed as a deed by the Company and is delivered by it on the date specified above.

**SCHEDULE 1**  
**DETAILS OF REAL PROPERTY**

**Part A**  
**Registered Land**

(Freehold or leasehold property (if any) in England  
and Wales of which the Company is registered  
as the proprietor at H.M. Land Registry)

<b>County and District/ London Borough</b>	<b>Description of Property</b>	<b>Title Number</b>
--	--------------------------------	---------------------

**Part B**  
**Unregistered Land**

(Freehold or leasehold property (if any) in England and Wales  
title to which is not registered at H.M. Land Registry  
of which the Company is the owner)

**The freehold/leasehold property known as and comprised in the following title deed(s) or  
other document(s) of title:**

<b>Description</b>	<b>Date</b>	<b>Document</b>	<b>Parties</b>
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**SCHEDULE 2A**

**FORM OF NOTICE OF ASSIGNMENT OF INSURANCE**

To: [Insurer]

Date: [ ]

Dear Sirs,

We hereby give you notice that we have assigned to [BANK]/[TRUSTEE] (the "[Bank/Trustee]") pursuant to a debenture entered into by us in favour of the [Bank/Trustee] dated [ ] all our right, title and interest in and to the proceeds of [*insert details of relevant insurance policy*] (the "Policy of Insurance").

With effect from your receipt of this notice we instruct you to:

1. make all payments and claims in excess of £100,000 under or arising from the Policy of Insurance to the [Bank/Trustee] [*insert an account number if required*] or to its order as it may specify in writing from time to time;
2. note the interest of the [Bank/Trustee] on the Policy of Insurance; and
3. disclosure to the [Bank/Trustee], without further approval from us, such information regarding the Policy of Insurance as the [Bank/Trustee] may from time to time request and to send it copies of all notices issued by you under the Policy of Insurance.

With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy of Insurance (including all rights to compel performance) belong to and are exercisable by the [Bank/Trustee].

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the [Bank/Trustee] at [ ] marked for the attention of [ ].

Yours faithfully,

.....

for and on behalf of  
[COMPANY]

[On copy only:

To: **[BANK]/[TRUSTEE]**

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in such notice and that we will comply with the terms of that notice.

We further confirm that no amendment or termination of the Policy of Insurance shall be effective unless we have given the [Bank/Trustee] thirty days written notice thereof.

For and on behalf of [ ]

By: .....

Dated:

**SCHEDULE 2B**

**FORM OF NOTICE OF ASSIGNMENT OF ACCOUNT**

To: [Account Bank]

Date: [ ]

Dear Sirs,

We hereby give you notice that we have assigned and charged to [BANK]/[TRUSTEE] (the "[Bank/Trustee]") all of our right, title and interest in and to account number [ ], account name [ ] (including any renewal or redesignation thereof) and all monies standing to the credit of that account from time to time (the "Account").

With effect from the date of your receipt of this notice:

- (a) [any existing payment instructions affecting the Account are to be terminated and all payments and communications in respect of the Account should be made to the [Bank/Trustee] or to its order (with a copy to the Company)]
- (b) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Account belong to the [Bank/Trustee].

Please accept this notice by signing the enclosed acknowledgement and returning it to the [Bank/Trustee] at [ ] marked for the attention of [ ].

Yours faithfully

.....  
for and on behalf of  
[COMPANY]

[on copy only]

To: [BANK]/[TRUSTEE]

Date: [ ]

At the request of the [Bank/Trustee] and [COMPANY] we acknowledge receipt of the notice of assignment and charge, on the terms attached, in respect of the Account (as described in those terms). We confirm that:

- the balance standing to the Account at today's date is [ ], no fees or periodic charges are payable in respect of the Account and there are no restrictions on (a) the payment of the credit balance on the Account [(except, in the case of a time deposit, the expiry of the relevant period)] or (b) the assignment of the Account to the [Bank/Trustee] or any third party;
- we have not received notice of any previous assignments of, charges over or trusts in respect of, the Account and we will not, without the [Bank/Trustee]'s consent (a) exercise any right of combination, consolidation or set-off which we may have in respect of the Account or (b) amend or vary any rights attaching to the Account; and
- we will act only in accordance with the instructions given by persons authorised by the [Bank/Trustee] and we shall send all statements and other notices given by us relating to the Account to the [Bank/Trustee].

For and on behalf of [ ]

By: .....



**SCHEDULE 2C**

**FORM OF NOTICE OF ASSIGNMENT OF SPECIFIC CONTRACT**

To: [                    ]

Date: [                    ]

Dear Sirs,

We hereby give you notice that we have assigned to **[BANK]/[TRUSTEE]** (the "**[Bank/Trustee]**") pursuant to a debenture entered into by us in favour of the **[Bank/Trustee]** dated [                    ] all our right, title and interest in and to *[details of contract]* (the "**Contract**") including all moneys which may be payable in respect of the **Contract**.

With effect from your receipt of this notice:

1. all payments by you to us under or arising from the **Contract** should be made to the **[Bank/Trustee]** or to its order as it may specify in writing from time to time *[details of the account into which sums are to be paid may be included]*;
2. all remedies provided for in the **Contract** or available at law or in equity are exercisable by the **[Bank/Trustee]**;
3. all rights to compel performance of the **Contract** are exercisable by the **[Bank/Trustee]** although the Company shall remain liable to perform all the obligations assumed by it under the **Contract**;
4. all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the **Contract** belong to the **[Bank/Trustee]** and no changes may be made to the terms of the **Contract** nor may the **Contract** be terminated without the **[Bank/Trustee]**'s consent; and
5. you are authorised and instructed, without requiring further approval from us, to provide the **[Bank/Trustee]** with such information relating to the **Contract** as it may from time to time request and to send it copies of all notices issued by you under the **Contract** to the **[Bank/Trustee]** as well as to us.

These instructions may not be revoked, nor may the terms of the **Contract** be amended, varied or waived without the prior written consent of the **[Bank/Trustee]**.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the [Bank/Trustee] at [ ] marked for the attention of [ ].

Yours faithfully,

.....

for and on behalf of  
[COMPANY]

**SCHEDULE 3**  
**LIST OF SPECIFIC CONTRACTS**

**SCHEDULE 4**  
**DETAILS OF INTELLECTUAL PROPERTY**

**2. Northern & Shell plc**

ation 1

ied 4	Class 16	B1,524,229 19 January 1993	Ren. Overdue	Jnl 6022,2564
		<b>VITAL TITLE</b>		
		Northern & Shell plc		
		2,018,894 27 April 1995	Registered	Jnl 6100,9692
		<b>DIGITAL DREAMS</b>		
		Northern & Shell plc		
		2,212,699 28 October 1999	Registered	Jnl 6309,113
		<b>M2K</b>		
		Northern & Shell plc		



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Typed Drawing

**Word Mark** ATTITUDE  
**Goods and Services** IC 016. US 002 005 022 023 029 037 038 050. G & S: magazines directed to gay men concerning fashion, art, and the gay lifestyle. FIRST USE: 19940331. FIRST USE IN COMMERCE: 19940400  
**Mark Drawing Code** (1) TYPED DRAWING  
**Serial Number** 74682411  
**Filing Date** May 31, 1995  
**Filed ITU** FILED AS ITU  
**Published for Opposition** December 26, 1995  
**Registration Number** 2037811  
**Registration Date** February 11, 1997  
**Owner** (REGISTRANT) Northern & Shell plc PUBLIC LIMITED COMPANY UNITED KINGDOM The Northern & Shell Tower City Harbour, London E14 9TW ENGLAND  
**Attorney of Record** Bruce D. Kuyper  
**Type of Mark** TRADEMARK  
**Register** PRINCIPAL  
**Live/Dead Indicator** LIVE

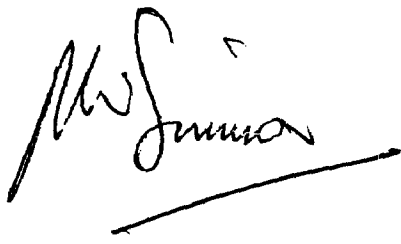
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**The Trustee**

**COMMERZBANK AKTIENGESELLSCHAFT, London Branch**

By:

Address: Commerzbank House  
23 Austin Friars  
London EC2N 2NB



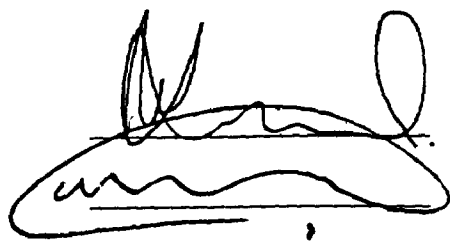
Fax: 0207 418 4870

Attention: Samantha Alder

**The Company**

**EXECUTED as a DEED**

by **NORTHERN & SHELL PLC**



Director

Director/Secretary

Address: Northern & Shell Tower  
City Harbour  
London E14 9GL

Fax: 0207 308 5076

Attention: Maninder Gill