

Please do not
write in
this margin

COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

Pursuant to section 395 of the Companies Act 1985

CHA 116

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

* insert full name
of company

To the Registrar of Companies

For official use

Company number

616650

Name of company

* GOLDSMITHS SERVICES LIMITED (the "Company")

Date of creation of the charge

23rd July 1998

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

Fixed and Floating Charge (the "Charge") dated 23rd July 1998 and made between the Company and Dresdner Bank AG, London Branch as trustee for itself and the Beneficiaries (as defined below) (the "Agent").

Amount secured by the mortgage or charge

All obligations, covenants, undertakings and agreements and all moneys and liabilities whatsoever which were, at the date of the Charge, or which might become thereafter (whether before or after demand) due, owing or payable, in any currency, to the Agent, the Arranger (as defined below) or the Banks (as defined below) by the Company, actually or contingently, under or in respect of the Charge or under or in respect of (i) the Composite Guarantee (as defined below), (ii) the Overdraft Facility (as defined below), (iii) the BACS Facility (as defined below) or (iv) any agreements entered into pursuant to or in connection with any of the agreements referred to in (i) - (iii) above, in each case in the manner provided in the relevant document and all banking, legal and other costs, charges and expenses whatsoever (on a full indemnity basis) payable under the terms of any Financing Document (as defined below) or in connection with the enforcement of any rights or obligations under the Financing Document and also all losses and damages that may be sustained, suffered or incurred by the Agent, the Arranger or the Banks arising out of or

Cont'd

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

Dresdner Bank AG London Branch of 20 Fenchurch Street, London as trustee for itself and
the Beneficiaries (as defined below).

Postcode	EC3P 3DB
----------	----------

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

Wilde Sapte
1 Fleet Place
London
EC4M 7WS

145 LONDON
PXU/79728/BF337506.01

Time critical reference

For official use
Mortgage Section

1 Post room



Short particulars of all the property mortgaged or charged

The Company with full title guarantee charged and mortgaged in favour of the Agent (to hold the same on trust for itself and the Beneficiaries in accordance with clause 4 of the Charge) as a continuing security for the payment or discharge of the Secured Amounts:

(a) by way of first fixed charge:

(i) any freehold or leasehold property beneficially owned by the Company at the date of the Charge;

(ii) all freehold and leasehold property acquired by the Company after the date of the Charge;

(iii) all present and future goodwill of the Company and uncalled capital for the time being of the Company;

(iv) all rights in intellectual property for the time being owned or held by the Company including all fees, royalties, and other rights derived therefrom or incidental thereto;

Cont'd

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)

NIL

Signed

M. J. S. & P.

Date

11.8.98

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

† delete as appropriate

- 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.

Please do not
write in this
binding margin

Particulars of a mortgage or charge (continued)

Continuation sheet No 1
to Form No 395 and 410 (Scot)

CHA 116

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

Company Number

616650

Name of Company

GOLDSMITHS SERVICES LIMITED (the "Company")

Limited*

* delete if
inappropriate

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

Cont....

in connection with any act, matter or thing done or omitted to be done by the Company under the Charge or any of the Financing Documents and also interest on the foregoing to the date of payment and all claims, demands and damages for breach of any of the above covenants (the "Secured Amounts").

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

Please do not
write in this
binding margin

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

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

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

(v) all book debts and other debts (including rents) and all moneys and liabilities whatsoever for the time being due, owing or payable to the Company (including the benefit of any judgment or order to pay a sum of money) and the benefit of any Security Interests (as defined below) and securities for the time being held by the Company in respect of any such debts or moneys and all cash deposits in any account of the Company with any person and all bills of exchange, promissory notes and negotiable instruments of any description at any time owned or held by the Company;

(vi) all the right, title and interest of the Company to and in any proceeds of any present or future insurances (including those referred to in clause 6.1(h) of the Charge); and

(vii) all Investments (as defined below) and rights and options to acquire Investments for the time being owned by the Company and all rights in respect of or incidental thereto including all dividends, interest and other distributions and all accretions, benefits and advantages;

(b) by way of first floating charge:

(i) all freehold and leasehold property acquired by the Company after the date of the Charge; and

(ii) the undertaking of the Company and all its property, assets and rights, whatsoever and wheresoever, both present and future (including all stock in trade) and whether or not expressed to be mortgaged or charged to the Agent under (a) above, if and to the extent such property, assets and rights were not or had ceased to be effectively mortgaged or charged by way of first mortgage or fixed charge.

NOTE:

The Company covenanted with the Agent on behalf of itself and the Beneficiaries that until the Secured Amounts had been repaid and discharged, it would not:

(a) create or permit to exist any Security Interest (as defined below) in, over or affecting any of the Charged Property (other than a Permitted Security Interest (as defined below)) ranking or which might come to rank, in priority to or pari passu with the fixed charge contained in (a) above or the floating charge contained in (b) above nor, except with the prior written consent of the Agent, any Security Interest (other than a Permitted Security Interest) which would rank after the charges contained in the Charge;

(b) except with the prior written consent of the Agent, transfer, sell, lend, lease, license or otherwise dispose of any of the Charged Property, but so that the Company could dispose of property and assets either by sale of its property and assets which were for the time being subject to the floating charge contained in (b) above (other than the undertaking of the Company) by way of bargain made at arm's length and in the usual course of the Company's day-to-day trading or by permitting Goldsmiths Services Limited (registered no. 616650) and/or a company within the Group which had given a fixed and floating charge over its property and assets in favour of the Agent on substantially similar terms to the terms of the Charge (and in the case of real property where any other necessary consents had been obtained) to use or share any of the Company's property or assets which were subject to the terms of the Charge. In respect of leasehold property, the annual rental payments of which did not exceed £250,000, the Agent agreed to give its consent to any such disposal;

Cont'd

Please do not
write in this
binding margin

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

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

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

(c) except with the prior written consent of the Agent (not to be unreasonably withheld):

(i) exercise or agree to exercise the statutory or other powers of making leases or of accepting or agreeing to accept surrenders of leases nor grant or agree to grant any licence or right to occupy any Significant Property (as defined below) but so that the Company might permit Goldsmiths Services Limited and any other company within the Group which had given a fixed and floating charge over its property and assets in favour of the Agent on substantially similar terms to the term of the Charge (and when any other necessary consents had been obtained) to use or share the occupation of any of the Charged Property;

(ii) cancel, surrender, assign or permit to be forfeited any lease of the whole or any part of any Significant Property or any part of any such lease or agree to do so whether such lease was held by the Company or was superior thereto or was derived out of the Company's interest therein nor sub-let or permit to be cancelled, surrendered, assigned, sub-let or charged (other than by way of a Permitted Security Interest (as defined below)) the whole or any part of the property comprised in such a lease or agree to do so; and if any of the Significant Property for the time being owned by the Company were tenanted, the Company covenanted that it would operate all rent reviews (unless a review was likely to reduce the amount of any rent) and manage such property in a proper and efficient manner and would not agree the amount of any reviewed rent or grant any licence in respect of such property and not vary or release any covenant contained in any lease or licence affecting such property;

(iii) waive or vary nor permit to be waived or varied the terms of any of the documents relating to or affecting its Significant Property, and would not in any manner or by any means lessen the value of the Company's interest in its Significant Property for the time being owned by the Company and would not part with possession (otherwise than on determination of any tenancy or licence) of any of its Significant Property or share occupation thereof with any other person but so that the Company might permit Goldsmiths Services Limited and any other company within the Group which had given a fixed and floating charge over its property and assets in favour of the Agent on substantially similar terms to the term of the Charge (and when any other necessary consents had been obtained) to use or share the occupation of any of the Charged Property;

(iv) breach or make any application under the Town & Country Planning legislation or any laws or regulations intended to control or regulate the construction, demolition, alteration or change of use of land or buildings and would not carry out any other development of any of the freehold or leasehold property for the time being owned by the Company and would not do or permit to be done on any such property anything which would or might give rise to any charge to tax to the Agent, the Arranger (as defined below) or any of the Banks (as defined below) or the Receiver arising from ownership or occupation of any freehold or leasehold property provided always that nothing in the Charge should be deemed to prevent the Company from making any application as aforesaid which did not involve structural alterations or addition to the exterior of any Charged Property and did not materially diminish the value of any Charged Property;

Cont'd

• Please do not
write in this
binding margin

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

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

(v) enter into an agreement with a local authority, local planning authority or other statutory authority containing any obligation or provision which was or might become enforceable against the Agent, the Arranger or any of the Banks or any person deriving title under or through the Company or otherwise;

(vi) make or permit to be made any alterations or additions to the freehold property of the Company;

(d) except with the prior written consent of the Agent:

(i) transfer, factor, discount, sell, release, compound, subordinate, defer or vary the terms of any book or other debts or moneys for the time being due, owing or payable to the Company, nor otherwise deal with the same except by getting in the same in the usual course of business;

(ii) make any withdrawals from the Company's specified account with National Westminster Bank Plc or otherwise deal with such specified account except as permitted by National Westminster Bank plc (acting for itself and as agent for the other Beneficiaries);

(e) call up or receive in advance of calls all or any part of the uncalled capital for the time being of the Company;

(f) grant any licence, registered user agreement or other rights over or permit the use by any other person of any of the Company's intellectual property rights;

(g) except with the prior written consent of the Agent, (not to be unreasonably withheld) negotiate, compromise, abandon or settle any claim for compensation (whether payable under any enactment or otherwise) or any claim under any insurance in respect of any land or buildings for the time being owned by the Company or any other material compensation, insurance or other claim where the amount of any such claim exceeds £100,000;

DEFINITIONS:

"Arranger" means Dresdner Bank AG London Branch, acting through its office at 20 Fenchurch Street, London, EC3P 3DB;

"BACS Facility" means the daylight Facility of up to £2,000,000 made available by National Westminster Bank Plc as from time to time modified, supplemented or varied in any manner or respect whatsoever including, in particular, by any alteration or modification which increases or otherwise affects the liability of Goldsmiths Group Plc, the Company and Springcolour Limited thereunder;

"Banks" means those of the banks listed on the execution pages of the Facility Agreement and their respective successors and any permitted transferees or assigns which are for the time being participating in the Facilities;

"Beneficiary" means any of the Agent, the Arranger and each of the Banks;

"Composite Guarantee" means the composite guarantee dated 23rd July 1998 between the Company and the Agent;

Cont'd

• Please do not
write in this
binding margin

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

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

"Facilities" means the Working Capital Facility, the New Branch Facility ((as defined in the Facility Agreement), the Overdraft Facility, the BACS Facility, the Corporate Dealing Line Facility (as defined in the Facility Agreement), the Terminable Indemnity Facility (as defined in the Facility Agreement), the Forward Exchange Facility (as defined in the Facility Agreement) and any other facility made available by the Banks under the Facility Agreement or with the consent of the Banks, otherwise pursuant to clause 2 of the Facility Agreement and "Facility" shall mean any one of them, as the context requires;

"Facility Agreement" means the Facility Agreement between Goldsmiths Group Plc., Dresdner Bank AG London Branch as Agent, Arranger and a Bank and National Westminster Bank Plc as a Bank dated 23rd July 1998 as from time to time modified, supplemented or varied in any manner or respect whatsoever including, in particular, by any alteration or modification which increases or otherwise affects the liability of Goldsmiths Group Plc thereunder;

"Financing Documents" has the same meaning as in the Facility Agreement;

"Investments" means shares, stocks, options, debentures, bonds, warranties, certificates and other securities;

"Overdraft Facility" means the overdraft facility of up to £3,250,000 made available by National Westminster Bank Plc on the terms and conditions of the Overdraft Facility Letter as from time to time modified, supplemented or varied in any manner or respect whatsoever including, in particular, by any alteration or modification which increases or otherwise affects the liability of Goldsmiths Group Plc, the Company or Springcolour Limited thereunder;

"Overdraft Facility Letter" means the advice of borrowing terms letter dated 23rd July 1998 addressed to Goldsmiths Group PLC, the Company and Springcolour Limited from National Westminster Bank Plc Leicester Corporate Business Centre;

"Permitted Security Interest" means:

(a) any lien or right of set-off arising in the normal course of trading by operation of law securing obligations not more than thirty days overdue;

(b) any Security Interest created under any of the Security Documents (as defined in the Facility Agreement) or the Existing Security (as defined in the Facility Agreement);

(c) any Security Interest created or permitted to subsist with the prior written consent of the Majority Banks (as defined in the Facility Agreement); and

(d) any conditional sale or title retention arising under or pursuant to any contract between the Company and any of its trade suppliers for the purchase of goods in the normal course of trading where the aggregate purchase price attributable to all goods the subject of such conditional sale or retention of title does not at any time exceed £1,500,000 (excluding Value Added Tax);

"Security Interest" means any mortgage, charge, pledge, lien, right of set-off, assignment by way of security, retention of title or any security interest whatsoever or any other agreement or arrangement having the effect of conferring security, howsoever created or arising;

"Significant Property" means any freehold or leasehold property for the time being owned by the Company where the value of such property or the amount of the annual rent payable in respect of such property exceeds £250,000.

FILE COPY



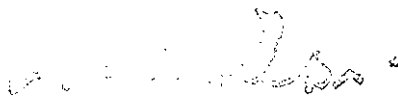
CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 00616650

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A FIXED AND FLOATING CHARGE DATED THE 23rd JULY 1998 AND CREATED BY GOLDSMITHS SERVICES LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE AGENT, ARRANGER OR THE BANKS (AS DEFINED) UNDER OR IN RESPECT OF THE CHARGE, COMPOSITE GUARANTEE, OVERDRAFT FACILITY, BACS FACILITY OR ANY AGREEMENTS (AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 11th AUGUST 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 13th AUGUST 1998.


A. H. H. H. H.

for the Registrar of Companies



C O M P A N I E S H O U S E

HC026B

KC
KM
13/8