

# M

COMPANIES FORM No. 395

## Particulars of a mortgage or charge

468836 / 26

# 395

CHFP025

Please do not  
write in  
this margin

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

\*insert full name  
of Company ✓

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies  
(Address overleaf - Note 6)

For official use

Company number

[101111]

03193286

Name of company

\* Citizen Limited (the "Chargor")

Date of creation of the charge

25 JULY 2007

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

A debenture between (1) the Chargor and (2) LMS (the "Debenture")

Amount secured by the mortgage or charge

All liabilities and obligations of the Chargor to the Lender of any kind and in any currency (whether now and in the future, actual or contingent and whether owed by the Chargor as principal or surety or incurred alone or jointly with another and whether owed to the Lender as original obligee or as assignee or transferee), including (without limitation) interest, fees, banking charges, commission and expenses (the "Secured Liabilities")

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

LMS Capital (Bermuda) Limited, Clarendon House, 2 Church Street, Hamilton, Bermuda ("LMS")

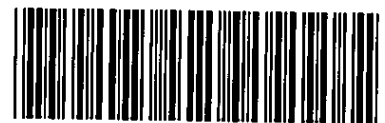
Postcode HM11

Presentor's name address and  
reference (if any)

SJ Berwin LLP  
10 Queen Street Place  
London  
EC4R 1BE

For official Use (06/2005)  
Mortgage Section

FRIDAY



A26 03/08/2007 599  
COMPANIES HOUSE

Time critical reference  
CP1

Short particulars of all the property mortgaged or charged

- (A) The Chargor covenants with LMS to pay on demand the Secured Liabilities to LMS when due, and as continuing security for the payment of the Secured Liabilities, the Chargor with full title guarantee
- (a) charges to LMS by way of legal mortgage all freehold or leasehold property owned by the Chargor at the date of the Debenture,
- (b) charges to LMS by way of equitable mortgage its interest in any freehold or leasehold property acquired by the Chargor after the date of the Debenture,
- (c) charges to LMS by way of fixed charge its interest in
- (continues on Continuation Sheet)

Please do not write in this margin

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

Particulars as to commission allowance or discount (note 3)

Signed STB LUP

On behalf of ~~XXXXXXXXXXXX~~ [chargee] †

Date 3.07.07

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**

CHFP025

**Particulars of a mortgage or charge  
(continued)**Please do not  
write in this  
binding marginContinuation sheet No 1  
to Form No 395 and 410 (Scot)Please complete  
legibly, preferably  
in black type, or  
bold block lettering

Company Number

03193286

Name of Company

Citizen Limited (the "Chargor")

Limited\*

\* delete if  
inappropriate

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

- (i) all existing and future fittings, plant, equipment, machinery, tools, vehicles, furniture and other tangible movable property,
- (ii) any Investment,
- (iii) its existing and future goodwill and uncalled capital,
- (iv) all existing and future cash at bank,
- (v) any Intellectual Property,
- (vi) any money now or at any time after the date of the Debenture standing to the credit of any Designated Account, and
- (vii) any sum now or at any time after the date of the Debenture received by the Chargor as a result of any order of the court under sections 213, 214, 238, 239 or 244 of the Insolvency Act 1986,
- (d) assigns to LMS by way of fixed charge its interest in and the benefit of all agreements for the supply of goods or services by the Chargor entered into on or before the date of the Debenture and the benefit of any guarantee or security for the performance of any of such agreements provided that if any such agreement, guarantee or security is expressed to be non-assignable then the Chargor charges to LMS by way of fixed charge its interest in and the benefit of it,
- (e) assigns to LMS by way of security its interest in the Rental Income and charges to LMS by way of fixed charge its interest in all other Debts, and

(f) charges to LMS by way of fixed charge all other existing and future property of the Chargor not charged or assigned by the previous paragraph (A) (other than the Chargor's stock in trade or work-in-progress and other than the shares in the capital of Vionet Israel Limited)

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

- (B) As continuing security for the payment of the Secured Liabilities, the Chargor charges to LMS by way of floating charge with full title guarantee the whole of its existing and future undertaking and property to the extent not otherwise at any time subject to any fixed charge in favour of LMS (other than the shares in the capital of Vionet Israel Limited)

Note 1 LMS may at any time by written notice to the Chargor convert the floating charge created under paragraph (B) into a fixed charge as regards any property specified in the notice if

- (a) an Event of Default has occurred and is continuing or, in the reasonable opinion of LMS, is likely to occur, or
- (b) in the reasonable opinion of LMS, such property is at risk of becoming subject to any Encumbrance (other than in favour of LMS) or is otherwise at risk of ceasing to be within the ownership or control of the Chargor without the consent of LMS

Note 2 The Chargor shall

- (a) take all practical steps in the ordinary course of its business to realise the Debts,
- (b) from time to time, if reasonably required by LMS, provide LMS with a list of the names and addresses of all tenants and debtors of the Chargor and the amount of the Debts owing from each of them and all other information relating to the Debts as LMS may reasonably require,
- (c) from time to time if required by LMS execute a legal assignment of any Debt to LMS in such terms as LMS may reasonably require and give notice of any assignment of any Debt to the debtor,
- (d) in respect of any Debt (other than Rental Income), pay the proceeds of realisation of any such Debt into a Designated Account and pay or otherwise deal with such proceeds in any Designated Account in accordance with any directions given by LMS from time to time provided that at any time when an Event of Default has not occurred in the absence of such directions any proceeds of any such Debt which have been received by the Chargor and paid into a Designated Account will be released from the fixed charge over the Debts created pursuant to paragraph A(e) and will be subject to the floating charge created pursuant to paragraph B and on that basis will be available to the Company for use in its absolute discretion provided that any such release will in no respect derogate from the existence of the fixed security over all other such Debts for the time being outstanding, and
- (e) permit any bank or other institution with which a Designated Account is held to furnish directly to LMS from time to time upon request full particulars of all the Chargor's accounts with such bank or other institution and all other information relating to the Chargor as is available to such bank or other institution

- Note 3 The Chargor shall not except with the prior written consent of LMS sell, assign, charge, discount, factor or otherwise deal with any of the Debts, or (save for minor bad debts) compound, release or do anything by virtue of which the collection and recovery of any of the Debts may be impeded, delayed or prevented
- Note 4 The Chargor shall deposit with LMS the certificates or other documents of title to any Investment belonging to the Chargor and duly executed undated blank transfers in respect of any such Investment and shall promptly pay all monies which may from time to time be due in respect of any such Investments
- Note 5 The Chargor shall not except with the prior written consent of LMS
- (a) in addition to the restrictions contained in Note 3, sell, transfer, lease or otherwise dispose or purport or agree to dispose of any interest in or lend or grant any licence or other right over any property mortgaged, charged or assigned under paragraph A or, save for market consideration in money or money's worth and in the ordinary course of the Chargor's business, dispose of any interest in or lend or grant any licence or other right over any of the property charged by way of floating charge under paragraph B,
  - (b) create, agree to create or allow to arise or remain outstanding any Encumbrance over any Charged Property,
  - (c) grant or accept a surrender of any lease, licence or right of occupation of or part with or share possession or occupation of or grant or agree to grant any option in relation to the Charged Property or any part of it, or
  - (d) redeem or purchase its own shares or provide financial assistance for such purposes or pay an abnormal sum by way of dividend

All defined terms are attributed the same meaning as set out in the Debenture

Please do not  
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binding margin

*Please complete  
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FILE COPY



## CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No 03193286

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 25th JULY 2007 AND CREATED BY CITIZEN LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO LMS CAPITAL (BERMUDA) LIMITED ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 3rd AUGUST 2007

GIVEN AT COMPANIES HOUSE, CARDIFF THE 8th AUGUST 2007

A handwritten signature in black ink, appearing to be 'R. G.' or similar.



*Companies House*

— for the record —



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES