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COMPANIES FORM No. 395

193924/273

Particulars of a mortgage or charge

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

3485319

Name of company

* Axial Logistics Ltd (the "Company")

Date of creation of the charge

27 April 2006

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

A Security Agreement (the "Deed") between the Company and the other
Chargors (as defined in the Continuation Sheet) and The Royal Bank of
Scotland plc (the "Security Agent") as agent and trustee for the Finance
Parties (as defined in the Continuation Sheet).

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or
contingent and whether owed jointly or severally or in any other capacity
whatsoever) of the Company to any Finance Party under each Finance
Document to which the Company is party, except for any obligation which,
if it were so included, would result in the Deed contravening Section 151
of the Companies Act 1985 (the "Secured Liabilities").

Capitalised terms used in this Form 395 have the meanings given to them in
the Continuation Sheet unless otherwise defined.

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

The Royal Bank of Scotland plc, Level 7, 135 Bishopsgate, London.

Postcode EC2M 3UR

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

Sarah Francis
Allen & Overy LLP
One New Change
London EC4M 9QQ

BK: 4290204

Time critical reference

For official Use (02/00)
Mortgage Section

Post room



A07
COMPANIES HOUSE

122
08/05/2006

Please see Continuation Sheet

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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 Allen + Overly LLP

Date 05/05/06

On behalf of XXXXXXXX [mortgagee/chargee] †

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

† delete as
appropriate

Notes

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

Short particulars of all property mortgaged or charged

1.1 Land

- (a) The Company has charged by way of fixed charge all estates or interests in any freehold or leasehold property.
- (b) The mortgage or charge of any freehold or leasehold property referred to in paragraph (a) above includes:
 - (i) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
 - (ii) the benefit of any covenants for title given or entered into by any predecessor in title of the Company in respect of that property or any moneys paid or payable in respect of those covenants.

1.2 Investments

- (a) Save where such asset is an Excluded Asset, the Company has charged:
 - (i) by way of fixed charge all shares in any member of the Group (other than itself) owned by it or held by any nominee on its behalf; and
 - (ii) (to the extent that they are not the subject of a fixed charge under sub-paragraph (i) above) by way of a fixed charge its interest in all shares, stocks, debentures, bonds or other securities and investments owned by it or held by any nominee on its behalf.
- (b) The charge of any stock, share, debenture, bond or other security referred to in paragraph (a) above includes:
 - (i) any dividend or interest paid or payable in relation to it; and
 - (ii) any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.
- (c) The Company has also charged by way of fixed charge all amounts which it may receive, or has received, under or in relation to any Excluded Asset comprising stocks, shares, debentures, bonds or other securities but excluding such Excluded Asset itself.

1.3 Plant and machinery

The Company has charged by way of a fixed charge all plant and machinery owned by it and its interest in any plant or machinery in its possession.

1.4 Insurances

The Company has charged by way of fixed charge all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest.

1.5 Other contracts

The Company has assigned absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of:

- (a) any agreement to which it is a party except to the extent that it is either (i) subject to any fixed security created under any other provision of the Deed or (ii) an Excluded Asset;
- (b) any letter of credit issued in its favour; and
- (c) any bill of exchange or other negotiable instrument held by it.

1.6 Intellectual property

The Company has charged by way of a fixed charge, all of its rights in respect of:

- (a) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right;
- (b) any copyright or other intellectual property monopoly right; or
- (c) any interest (including by way of licence) in any of the above,

in each case whether registered or not and including all applications for the same.

1.7 Miscellaneous

The Company has charged by way of fixed charge:

- (a) any beneficial interest, claim or entitlement it has in any pension fund;
- (b) its goodwill;
- (c) the benefit of any authorization (statutory or otherwise) held in connection with its use of any Security Asset;
- (d) the right to recover and receive compensation which may be payable to it in respect of any authorization referred to in paragraph (c) above; and
- (e) its uncalled capital.

1.8 Floating charge

- (a) The Company has charged by way of a floating charge all its assets (other than any Excluded Asset) not at any time otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under the Deed.
- (b) The floating charge created under the Deed is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

2. Restrictions On Dealings

The Deed also contains a negative pledge by the Company not to:

- (a) create or permit to subsist any Security on any Security Asset; or
 - (b) sell, transfer, licence, lease or otherwise dispose of any Security Asset,
- except as expressly allowed under the Credit Agreement.

In this Form 395:

Chargors means the companies listed in Schedule 1 to this Form 395.

Co-ordination and Arrangement Fee Letter means the co-ordination and arrangement fee letter dated 13 January 2006 between the Joint Arrangers and AutoLogic Holdings plc setting out the co-ordination and arrangement fee.

Credit Agreement means the £27,500,000 credit agreement dated 31 March 2006 between (among others) the Company and the other Chargors as borrowers and guarantors, the financial institutions listed therein as Original Lenders and The Royal Bank of Scotland plc as facility agent (in this capacity, the **Agent**) and as security agent and trustee for the Finance Parties from time to time (in this capacity, the **Security Agent**).

Excluded Asset means each of the assets of the Company detailed in Schedule 3 of the Deed (Excluded Assets) which is subject to an Exclusion (but excluding any asset which has ceased to be an Excluded Asset following the Satisfaction of the Exclusion).

Exclusion means a legal, valid and binding restriction prohibiting the creation or subsistence of Security over an asset (or triggering the ability of a third party to exercise rights of pre-emption over such asset if any such Security comes into existence) without the consent, waiver or other action of a third party.

Fee Letters means, together, the Co-ordination and Arrangement Fee Letter and the letters dated on or about the date of the Credit Agreement between the Joint Arrangers and AutoLogic Holdings plc (or the Agent and AutoLogic Holdings plc) setting out any of the fees referred to in clause 12 of the Credit Agreement (Fees)

Finance Document means:

- (a) the Credit Agreement and any agreement pursuant to which any party accedes to the Credit Agreement as an obligor;
- (b) the Intercreditor Agreement;
- (c) any document under which security is granted for the obligations of any obligor under any Finance Document;
- (d) the Working Capital Facility Letter;
- (e) any Fee Letter;
- (f) the Warrants; and

(g) any other document designated as such by the Agent and AutoLogic Holdings plc.

Finance Party means each of the Agent, the Security Agent, the Joint Arrangers, a Lender and the Working Capital Bank.

Group means AutoLogic Holdings plc and its Subsidiaries for the time being.

Joint Arrangers means The Royal Bank of Scotland plc and Lloyds TSB Bank PLC in their capacity as joint arrangers under the Credit Agreement.

Intercreditor Agreement means the intercreditor agreement dated on or about the date of the Credit Agreement between, among others, the Agent, the Security Agent, the Original Lenders, GE Commercial Finance Limited, the Company and the other Chargors.

Lender means:

(b) any Original Lender; and

(c) any bank or financial institution which becomes a party to the Credit Agreement in accordance with its terms,

which in each case does not cease to be a party in accordance with the terms of the Credit Agreement

Original Lender means each of The Royal Bank of Scotland plc, Lloyds TSB Bank PLC, Calyon, ING Bank N.V, Allied Irish Banks, p.l.c, and KBC Bank N.V. in their capacity as original lenders under the Credit Agreement.

Satisfied means, in relation to an Exclusion, the legal, valid and binding satisfaction or removal of such Exclusion as a result of the granting of consent by all relevant third parties, and **Satisfaction** shall be construed accordingly.

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

Security Assets means all the assets of the Company which are the subject of any security created by the Deed.

Subsidiary means a subsidiary within the meaning of section 736 of the Companies Act 1985 but as if the definition of **company** where used in such section extended to any company wheresoever formed and registered or any other entity of which a person has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting capital or similar right of ownership and **control** for this purpose means the power to appoint a majority of the board of directors or other management board of the entity whether through the ownership of voting capital, by contract or otherwise.

Warrants means the warrants issued by AutoLogic Holdings plc to each Lender in accordance with the Warrant Instrument.

Warrants Instrument means the warrant instrument to be executed in the form set out in Schedule 8 of the Credit Agreement (Form of Warrant Instrument).

Working Capital Bank means The Royal Bank of Scotland plc in its capacity as provider of the Working Capital Facility.

Axial Logistics Ltd (Registered No: 3485319)

Continuation Sheet

Working Capital Facility means the working capital facility to be made available under the terms of the Credit Agreement and the Working Capital Facility Letter.

Working Capital Facility Letter means the letter between the Working Capital Bank and certain of the Chargors dated on or about the date of the Credit Agreement regarding the provision of a group overdraft facility.

SCHEDULE 1**CHARGORS**

Name of Original Borrower	Registration number (or equivalent, if any)
AutoLogic Holdings plc	3252504
Acumen Distribution Services Limited	00460836
Banister Land Limited	3012495
Bride Parks (Luton) Limited	02747911
AutoLogic UK Limited	2884164
Autoteq Limited	01434750
Walon Autotransport Limited	02431297
Walon Limited	01398125
AutoLogic Investments Ltd	3281916
Ansa Logistics Ltd	3715126
Autocar Logistics Ltd	3712214
AutoLogic Central Staff Ltd	589771
William Bancroft & Sons of Halifax Ltd	0168248
Autocar & Transporters Ltd	148884
Autolink Ltd	3018901
AutoLogic Services Ltd	4241079
Axial Holdings, Ltd	2413729
Vmex Ltd	2552880
Axial UK Ltd	1811524
Axial Logistics Ltd	3485319
Axial Technical Services Ltd	3485142

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03485319

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SECURITY AGREEMENT DATED THE 27th APRIL 2006 AND CREATED BY AXIAL LOGISTICS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO ANY FINANCE PARTY ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 8th MAY 2006.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 11th MAY 2006.

P.
Pam -



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES