



**Registration of a Charge**

Company name: **BEST PUBLISHING EVER INTERNATIONAL LIMITED**

Company number: **06472477**



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Received for Electronic Filing: **08/10/2013**

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**Details of Charge**

Date of creation: **25/09/2013**

Charge code: **0647 2477 0003**

Persons entitled: **ANNE STREET PARTNERS LIMITED**

Brief description:

**Contains fixed charge(s).**

**Contains floating charge(s) .**

**Notification of addition to or amendment of charge.**

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**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT  
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION  
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **BRABNERS LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 6472477

Charge code: 0647 2477 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th September 2013 and created by BEST PUBLISHING EVER INTERNATIONAL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th October 2013 .

Given at Companies House, Cardiff on 8th October 2013



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

DATED

25 September

2013

BEST PUBLISHING EVER INTERNATIONAL LIMITED

and

ANNE STREET PARTNERS LIMITED

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CHARGE

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Brabners LLP  
55 King Street  
Manchester  
M2 4LQ

September

THIS DEED is dated the 25 day of <sup>^</sup> 2013

**BETWEEN:**

- (1) **BEST PUBLISHING EVER INTERNATIONAL LIMITED** (company number 06472477) whose registered office is at 21 Marina Court, Castle Street, Hull HU1 1TJ (**Borrower**); and
- (2) **ANNE STREET PARTNERS LIMITED** (company number 05707007) whose registered office is at Arcadia House, Maritime Walk, Ocean Village, Southampton SO14 3TL (**Lender**).

**RECITALS:**

- (A) The Lender has agreed pursuant to the Facility Letter to provide the Borrower with loan facilities on a secured basis.
- (B) This charge provides security which the Borrower has agreed to give the Lender for the loan facilities under the Facility Letter.

**IT IS AGREED THAT:**

**1. Definitions and Interpretation**

**1.1 Definitions**

The definitions and rules of interpretation in this clause apply in this charge.

**Administrator:** an administrator appointed to manage the affairs, business and property of the Borrower pursuant to paragraph 14 of Schedule 4;

**Book Debts:** all present and future book and other debts and monetary claims due or owing to the Borrower, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Borrower in relation to any of them;

**Business Day:** a day (other than a Saturday or Sunday) on which banks are open for general business in London;

**Charged Property:** all the assets, property and undertaking for the time being subject to the security interests created by this charge (and references to the Charged Property shall include references to any part of it);

**Costs:** all costs, charges, expenses and liabilities of any kind including, without limitation, costs and damages in connection with litigation, professional fees, disbursements and any value added tax charged on Costs;

**Deposits:** all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account) together with all other rights and benefits accruing to or arising in connection with the such accounts (including, but not limited to, entitlements to interest);

**Designated Account:** any account nominated by the Lender as a designated account for the purposes of this charge;

**Encumbrance:** any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect;

**Event of Default:** any of the circumstances set out in paragraph 1 of Schedule 4.

**Facility Letter:** the facility letter dated on or about the date of this charge between the

Borrower and the Lender for the provision of the loan facilities secured by this charge;

**Financial Collateral:** shall have the meaning given to that expression in the Financial Collateral Regulations;

**Financial Collateral Regulations:** the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003/3226);

**Permitted Encumbrance:** the debenture dated 19 March 2013 by the Borrower in favour of Strand Associates Limited;

**Receiver:** a receiver and/or manager of any or all of the Charged Property appointed under paragraph 5 of Schedule 4;

**Secured Liabilities:** all present and future monies, obligations and liabilities owed by the Borrower to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity, including those under or in connection with the Facility Letter or this charge (including, without limitation, those arising under clause 12.3.2) together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities;

**Security Financial Collateral Arrangement:** shall have the meaning given to that expression in the Financial Collateral Regulations;

**Security Period:** the period starting on the date of this charge and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

## 1.2 Interpretation

Unless the context otherwise requires, in this charge:

- 1.2.1 a reference to a statute or statutory provision includes a reference to any subordinate legislation made under that statute or statutory provision, to any modification, re-enactment or extension of that statute or statutory provision and to any former statute or statutory provision which it consolidated or re-enacted before the date of this charge;
- 1.2.2 a reference to one gender includes a reference to the other gender;
- 1.2.3 words in the singular include the plural and in the plural include the singular;
- 1.2.4 a reference to a clause or Schedule is to a clause of, or Schedule to, this charge and references to paragraphs are to paragraphs of the relevant Schedule;
- 1.2.5 a reference to **this charge** (or any specified provision of it) or any other document shall be construed as a reference to this charge, that provision or that document as in force for the time being and as amended or novated from time to time;
- 1.2.6 a reference to a **person** shall include a reference to an individual, firm, corporation, unincorporated body of persons, or any state or any agency of a person;
- 1.2.7 a reference to an **amendment** includes a supplement, variation, novation or re-enactment (and **amended** shall be construed accordingly);
- 1.2.8 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.9 a reference to a **regulation** includes any regulation, rule, official directive, request or

guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and

1.2.10 clause, schedule and paragraph headings shall not affect the interpretation of this charge.

### **1.3 Clawback**

If the Lender considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this charge.

### **1.4 Law of Property (Miscellaneous Provisions) Act 1989**

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Facility Letter and of any side letters between any parties in relation to the Facility Letter are incorporated into this charge.

### **1.5 Third party rights**

A third party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this charge.

### **1.6 Perpetuity period**

The perpetuity period applicable to all trusts declared by this charge shall be 80 years.

### **1.7 Insolvency Act 1986**

Paragraph 14 of Schedule B1 of the Insolvency Act 1986 (as inserted by section 248 of, and Schedule 16 to, the Enterprise Act 2002) applies to the floating charge created by this charge.

### **1.8 Schedules**

The schedules form part of this charge and shall have effect as if set out in full in the body of this charge. Any reference to this charge includes the schedules.

## **2. Covenant to Pay**

The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due.

## **3. Grant of Security**

### **3.1 Charging clause**

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee:

3.1.1 charges to the Lender, by way of fixed charge:

3.1.1.1 all the Book Debts; and

3.1.1.2 all Deposits; and

3.1.2 charges to the Lender, by way of first floating charge, all Book Debts and Deposits at any time not effectively charged by way of fixed charge.

### **3.2 Automatic conversion of floating charge**

The floating charge created by clause 3.1.2 shall automatically and immediately (without notice) be converted into a fixed charge over the relevant Charged Property if:

#### **3.2.1 the Borrower:**

3.2.1.1 creates, or attempts to create, on all or any part of the Charged Property an Encumbrance without the prior written consent of the Lender or any trust in favour of another person; or

3.2.1.2 disposes, or attempts to dispose of, all or any part of the Charged Property (other than property that is only subject to the floating charge while it remains uncrystallised which property may be disposed of in the ordinary course of business); or

3.2.2 a receiver is appointed over all or any of the Charged Property that is subject to the floating charge; or

3.2.3 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Charged Property; or

3.2.4 the Lender receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of the Borrower.

### **3.3 Conversion of floating charge by notice**

The Lender may, in its sole discretion, at any time and by written notice to the Borrower, convert the floating charge created under this charge into a fixed charge as regards any part of the Charged Property specified by the Lender in that notice.

### **3.4 Assets acquired after any floating charge crystallisation**

Any asset acquired by the Borrower after any crystallisation of the floating charge created under this charge which, but for such crystallisation, would be subject to a floating charge shall (unless the Lender confirms in writing to the contrary) be charged to the Lender by way of first fixed charge.

## **4. Liability of the Borrower**

### **4.1 Liability not discharged**

The Borrower's liability under this charge in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

4.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is or becomes wholly or partially illegal, void or unenforceable on any ground; or

4.1.2 the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or

4.1.3 any other act or omission, which but for this clause 4.1 might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

#### **4.2 Immediate recourse**

The Borrower waives any right it may have to require the Lender to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this charge against the Borrower.

#### **5. Representations and Warranties**

The Borrower represents and warrants to the Lender in the terms set out in Schedule 1. The representations and warranties set out in Schedule 1 are made on the date of this charge and shall be deemed to be made on each day of the Security Period with reference to the facts and circumstances then existing.

#### **6. Covenants**

The Borrower covenants with the Lender in the terms set out in Schedule 2.

#### **7. Powers of the Lender**

The Lender shall have the powers set out in Schedule 3.

#### **8. Enforcement**

##### **8.1 Enforcement events**

The security constituted by this charge shall be immediately enforceable on the occurrence of any Event of Default. The parties to this charge agree that the provisions of Schedule 4 shall apply to this charge and shall be binding between them. The rights and powers of the Lender contained in clause 8.1, 8.2, 8.3, 8.4 and Schedule 4 shall apply notwithstanding that:

8.1.1 all or part of the Deposits may have been deposited for a fixed or minimum period or be subject to a period of notice;

8.1.2 any interest on the Deposits is calculated by reference to a fixed or minimum periods; and/or

8.1.3 any such fixed or minimum period or period of notice may or may not have been given.

The Borrower irrevocably authorises the Lender at any time after the occurrence of an Event of Default to break or determine any Deposit in whole or in part and/or to renew all or any of any Deposit for such fixed periods as the Lender may, in its absolute discretion, from time to time think fit.

##### **8.2 Power of sale**

At any time after the occurrence of an Event of Default, the Lender and any Receiver may (without prejudice to any other right which the Lender or the Receiver may have) without further notice to the Borrower exercise the power to sell or otherwise dispose of the whole or any part of the Deposits.

##### **8.3 Receiver's powers**

A Receiver shall have, in addition to the powers conferred on receivers by statute, the further powers set out in Schedule 5.

##### **8.4 Terms of sale**

Any sale or disposal under clause 8.2 may be made in such manner, on such terms and for



such consideration (whether payable immediately or by instalments) as the Lender or the Receiver, as the case may be, shall in its absolute discretion think fit and without liability for loss.

## **8.5 Right of appropriation**

To the extent that the Charged Property constitutes Financial Collateral and this charge and the obligations of the Borrower hereunder constitute a Security Financial Collateral Arrangement, the Lender shall have the right, at any time after the occurrence of any Event of Default, to appropriate all or any of that Charged Property in or towards the payment and/or discharge of the Secured Liabilities in such order as the Lender in its absolute discretion may from time to time determine. The value of any Charged Property appropriated in accordance with this clause shall be the price of that Charged Property at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Lender may select (including independent valuation). The Borrower agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

## **9. Costs and Indemnity**

### **9.1 Costs**

The Borrower shall pay to, or reimburse, the Lender and any Receiver on demand, on a full indemnity basis, all Costs incurred by the Lender and/or any Receiver in relation to:

- 9.1.1 this charge or the Charged Property;
- 9.1.2 protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's or Receiver's rights under this charge;
- 9.1.3 suing for, or recovering, any of the Secured Liabilities,

(including, without limitation, the Costs of any proceedings in relation to this charge or the Secured Liabilities), together with interest on any amount due under clauses 9.1.2 and 9.1.3 at 1% above the rate of interest specified in the Facility Letter.

### **9.2 Indemnity**

The Lender and any Receiver, and their respective employees and agents, shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:

- 9.2.1 the exercise, or purported exercise, of any of the powers, authorities or discretions vested in them under this charge;
- 9.2.2 any matter or thing done, or omitted to be done, in relation to the Charged Property under those powers; or
- 9.2.3 any default or delay by the Borrower in performing any of its obligations under this charge.

## **10. Release**

Subject to clause 12.3, on the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release the Charged Property from the security constituted by this charge.

## **11. Assignment and Transfer**

### **11.1 Assignment by Lender**

At any time, without the consent of the Borrower, the Lender may assign or transfer the whole or any part of the Lender's rights and/or obligations under this charge to any person.

### **11.2 Assignment by Borrower**

The Borrower may not assign any of its rights, or transfer any of its obligations, under this charge or enter into any transaction which would result in any of those rights or obligations passing to another person.

## **12. Further Provisions**

### **12.1 Independent security**

This charge shall be in addition to, and independent of, every other security or guarantee which the Lender may hold for any of the Secured Liabilities at any time. No prior security held by the Lender over the whole or any part of the Charged Property shall merge in the security created by this charge.

### **12.2 Continuing security**

This charge shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharges this charge in writing.

### **12.3 Discharge conditional**

Any release, discharge or settlement between the Borrower and the Lender shall be deemed conditional on no payment or security received by the Lender in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

12.3.1 the Lender or its nominee may retain this charge and the security created by or pursuant to it for such period as the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and

12.3.2 the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if such release, discharge or settlement had not occurred.

### **12.4 Certificates**

A certificate or determination by the Lender as to any amount for the time being due to it from the Borrower shall (in the absence of any manifest error) be conclusive evidence of the amount due.

### **12.5 Rights cumulative**

The rights and powers of the Lender conferred by this charge are cumulative, may be exercised as often as the Lender considers appropriate, and are in addition to its rights and powers under the general law.

### **12.6 Waivers**

Any waiver or variation of any right by the Lender (whether arising under this charge or under the general law) shall only be effective if it is in writing and signed by the Lender and applies

only in the circumstances for which it was given, and shall not prevent the Lender from subsequently relying on the relevant provision.

**12.7 Further exercise of rights**

No act or course of conduct or negotiation by or on behalf of the Lender shall, in any way, preclude the Lender from exercising any right or power under this charge or constitute a suspension or variation of any such right or power.

**12.8 Delay**

No delay or failure to exercise any right or power under this charge shall operate as a waiver.

**12.9 Single or partial exercise**

No single or partial exercise of any right under this charge shall prevent any other or further exercise of that or any other right.

**12.10 Consolidation**

The restriction on the right of consolidation contained in section 93 of the Law of Property Act 1925 shall not apply to this charge.

**12.11 Partial invalidity**

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this charge under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions.

**12.12 Counterparts**

This charge may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

**13. Notices**

**13.1 Service**

Any notice or other communication given under this charge shall be in writing and shall be served by delivering it personally or by sending it by pre-paid first-class post or by fax to the address at the beginning of this deed, or such other address or fax number as may be notified in writing from time to time by the relevant party to the other party.

**13.2 Receipt**

Receipt of any notice given under clause 13.1, shall be deemed to be received:

13.2.1 if delivered personally, at the time of delivery; or

13.2.2 in the case of pre-paid first-class post, 48 hours from the time of posting; or

13.2.3 in the case of a fax, when received in legible form.

**13.3 Deemed receipt**

If deemed receipt under clause 13.2 occurs:

13.3.1 before 9:00 am on a Business Day, the notice shall be deemed to have been

received at 9:00 am on that day; or

13.3.2 after 5:00 pm on a Business Day, or on a day that is not a Business Day, the notice shall be deemed to have been received at 9:00 am on the next Business Day.

**13.4 Proof of service**

In proving service of a notice, it shall be sufficient to prove that the envelope containing such notice was addressed to the address of the relevant party as set out in clause 13.1 and delivered either:

13.4.1 to that address; or

13.4.2 into the custody of the postal authorities as a pre-paid first-class letter.

**13.5 E-mails invalid**

Notice given under this charge shall not be validly served if sent by e-mail.

**14. Governing Law and Jurisdiction**

**14.1 Governing law**

This charge and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

**14.2 Jurisdiction**

The parties to this charge irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this charge or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

**14.3 Other service**

The Borrower irrevocably consents to any process in any proceedings being served on it in accordance with the provisions of this charge relating to service of notices. Nothing contained in this charge shall affect the right to serve process in any other manner permitted by law.

**IN WITNESS** this document has been signed as a deed and delivered on the date first above written

## **Schedule 1**

### **Representations and warranties**

**1. Ownership of Charged Property**

The Borrower is the legal and beneficial owner of the Charged Property.

**2. No Encumbrances**

The Charged Property is free from any Encumbrance other than the Permitted Encumbrance and the Encumbrances created by this charge.

**3. Adverse Claims**

The Borrower has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Property or any interest in it.

**4. Adverse Covenants**

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever, which materially adversely affect the Charged Property.

**5. No Breach of Laws**

There is no breach of any law or regulation which materially adversely affects the Charged Property.

**6. No Interference in Enjoyment**

No facility necessary for the enjoyment and use of the Charged Property is subject to terms entitling any person to terminate or curtail its use.

**7. Avoidance of Security**

No Encumbrance expressed to be created under this charge is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise.

**8. No Prohibitions or Breaches**

The entry into this charge by the Borrower does not and will not constitute a breach of any agreement or instrument binding on the Borrower or its assets.

## **Schedule 2**

### **Covenants**

#### **Part 1 - General covenants**

##### **1. Negative Pledge and Disposal Restrictions**

1.1 The Borrower shall not at any time, except with the prior written consent of the Lender:

1.1.1 create, purport to create or permit to subsist any Encumbrance other than the Permitted Encumbrance on, or in relation to, the Charged Property other than this charge; or

1.1.2 sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property, except in the ordinary course of business in the case of Charged Property which is only subject to an uncrystallised floating charge; or

1.1.3 create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party.

##### **2. Preservation of Deposits**

The Borrower shall not at any time after the occurrence of an Event of Default withdraw or transfer all or any part of any Deposit until after the Security Period has expired.

##### **3. Preservation of Charged Property**

The Borrower shall not do, or permit to be done, any act or thing which would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this charge (including, without limitation, closing any bank accounts).

##### **4. Enforcement of Rights**

4.1 The Borrower shall use its best endeavours to:

4.1.1 procure the prompt observance and performance of the covenants and other obligations imposed on the Borrower's counterparties; and

4.1.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Property which the Lender may require from time to time.

##### **5. Notice of Breaches**

5.1 The Borrower shall promptly on becoming aware of any of the same give the Lender notice in writing of any breach of:

5.1.1 any representation or warranty set out in Schedule 1; and

5.1.2 any covenant set out in this Schedule 2.

##### **6. Title Documents**

6.1 The Borrower shall, on the execution of this charge (or, if later, the date of acquisition of the relevant Charged Property), deposit with the Lender and the Lender shall, for the duration of this charge be entitled to hold:

- 6.1.1 all deeds and documents of title relating to the Charged Property which are in the possession or control of the Borrower (if these are not within the possession and/or control of the Borrower, the Borrower undertakes to obtain possession of all such deeds and documents of title); and
- 6.1.2 all deeds and documents of title (if any) relating to the Book Debts as the Lender may specify from time to time.

**7. Notices to be Given by the Borrower**

The Borrower shall immediately on request by the Lender give notice substantially in the form of Part 1 of Schedule 6 to any bank, financial institution or other person (excluding the Lender) with whom the Borrower has an account of the charging to the Lender pursuant to clause 3.1.1.2 of the Borrower's rights and interests under such accounts and procure that each addressee of such notice promptly provides an acknowledgement substantially in the form of Part 2 of Schedule 6 of the Lender's interest to the Lender.

**8. Further Assurance**

The Borrower, at its own cost, shall prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as the Lender may reasonably require) in favour of the Lender as the Lender, in its absolute discretion, requires from time to time over all or any part of the Charged Property and give all notices, orders and directions which the Lender may require in its absolute discretion for perfecting, protecting or facilitating the realisation of its security over the Charged Property.

**9. Borrower's Waiver of Set-Off**

The Borrower waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Borrower under this charge).

**Part 2 - Book Debts covenants**

**1. Preservation of Book Debts**

The Borrower shall not (except as provided by paragraph 2 of Part 2 of Schedule 2 or with the prior written consent of the Lender) release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.

**2. Realising Book Debts**

**2.1 The Borrower shall:**

- 2.1.1 as an agent for the Lender, collect in and realise all Book Debts, pay the proceeds into a Designated Account immediately on receipt and, pending that payment, hold those proceeds in trust for the Lender;
- 2.1.2 not, without the prior written consent of the Lender, withdraw any amounts standing to the credit of any Designated Account; and
- 2.1.3 if called on so to do by the Lender, execute a legal assignment of the Book Debts to the Lender in such terms as the Lender may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

## **Schedule 3**

### **Powers of the Lender**

#### **1. Power to Remedy**

The Lender shall be entitled (but shall not be bound) to remedy a breach at any time by the Borrower of any of its obligations contained in this charge and the Borrower irrevocably authorises the Lender and its agents to do all such things as are necessary or desirable for that purpose.

#### **2. Exercise of Rights**

The rights of the Lender under paragraph 1 of this Schedule 3 are without prejudice to any other rights of the Lender under this charge. The exercise of those rights shall not make the Lender liable to account as a mortgagee in possession.

#### **3. Prior Encumbrances**

##### **3.1 At any time after the occurrence of any Event of Default, or after any powers conferred by any Encumbrance having priority to this charge shall have become exercisable, the Lender may:**

3.1.1 redeem such or any other prior Encumbrance, or procure its transfer to itself; and

3.1.2 settle any account of the holder of any prior Encumbrance.

The settlement of any such account shall be conclusive and binding on the Borrower. All monies paid by the Lender to an encumbrancer in settlement of such an account shall, as from its payment by the Lender, be due from the Borrower to the Lender on current account and shall bear interest at 1% above the rate of interest specified in the Facility Letter and be secured as part of the Secured Liabilities.

#### **4. Conversion of Currency**

For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by the Lender under this charge (including the proceeds of any previous conversion under this paragraph 4) from their existing currencies of denomination into such other currencies of denomination as the Lender may think fit. Any such conversion shall be effected at a then market prevailing spot selling rate of exchange for such other currency against the existing currency. Each reference in this paragraph 4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

#### **5. New Accounts**

##### **5.1 If the Lender receives notice of any subsequent Encumbrance, or other interest, affecting all or part of the Charged Property, the Lender may open a new account for the Borrower in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.**

##### **5.2 If the Lender does not open a new account immediately on receipt of notice under paragraph 5.1 of this Schedule 3, then, unless the Lender gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Lender shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt of the relevant notice by the Lender.**



**6. Lender's Set-Off Rights**

**6.1 At any time after:**

6.1.1 the occurrence of any Event of Default; or

6.1.2 the Lender has received notice of any subsequent Encumbrance or other interest affecting all or any part of the Charged Property,

the Lender may, without prior notice, set off all or any monies owing by the Lender to the Borrower against the Secured Liabilities. The Lender may, at any time after the occurrence of an Event of Default, apply any Deposit or any part of it towards satisfaction of all or any of the Secured Liabilities.

**7. Indulgence**

The Lender may, at its discretion, grant time or other indulgence or make any other arrangement, variation or release with any person or persons not being a party to this charge (whether or not such person or persons is jointly liable with the Borrower) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this charge or to the liability of the Borrower for the Secured Liabilities.

## **Schedule 4**

### **Enforcement**

#### **1. Enforcement Events**

##### **1.1 This charge shall be enforceable if:**

- 1.1.1 any of the Secured Liabilities are not paid or discharged when the same ought to be paid or discharged by the Borrower (whether on demand, at scheduled maturity, or by acceleration or otherwise, as the case may be); or
- 1.1.2 subject to paragraph 1.1.1, the Borrower is in breach of any of its obligations under this charge or under any other agreement between the Borrower and the Lender and that breach (if capable of remedy) has not been remedied to the satisfaction of the Lender within 14 days of notice by the Lender to the Borrower to remedy the breach; or
- 1.1.3 the Borrower:
  - 1.1.3.1 becomes unable to pay its debts as they fall due (and/or the value of the Borrower's assets is less than the amount of its liabilities, taking into account the Borrower's contingent and prospective liabilities); or
  - 1.1.3.2 commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness; or
  - 1.1.3.3 makes a general assignment for the benefit of, or a composition with, its creditors; or
- 1.1.4 the Borrower passes any resolution or takes any corporate action, or a petition is presented or proceedings are commenced, or any action is taken by any person for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of it or of any or all of its revenues or assets; or
- 1.1.5 a distress, execution, attachment or other legal process is levied, or enforced on or sued against all or any part of the assets of the Borrower and remains undischarged for seven days; or
- 1.1.6 any event occurs in relation to the Borrower that is analogous to those set out in paragraph 1.1.3, paragraph 1.1.4 or paragraph 1.1.5 of this Schedule 4; or
- 1.1.7 any representation, warranty or statement made or deemed to be made by the Borrower under this charge is or proves to have been incorrect or misleading when made or deemed to be made; or

and in any such event (whether or not the event is continuing), without prejudice to any other rights of the Lender, the powers of sale under the Law of Property Act 1925 shall immediately be exercisable and the Lender may, in its absolute discretion, enforce all or any part of the security created by this charge as it sees fit.

#### **2. Statutory Power of Sale**

The statutory powers of sale conferred by the Law of Property Act 1925 shall, as between the Lender and a purchaser from the Lender, arise on and be exercisable at any time after the execution of this charge, but the Lender shall not exercise such power of sale until the occurrence of any Event of Default.

### **3. Protection of Third Parties**

3.1 No purchaser, mortgagee or other person dealing with the Lender or any Receiver shall be concerned:

3.1.1 to enquire whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged, or whether the power the Lender or a Receiver is purporting to exercise has become exercisable; or

3.1.2 to see to the application of any money paid to the Lender or any Receiver.

### **4. No Liability as Mortgagee in Possession**

Neither the Lender, nor any Receiver nor any Administrator shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Charged Property for which a mortgagee in possession might be liable as such.

### **5. Appointment of Receiver**

5.1 At any time after the occurrence of any Event of Default, or at the request of the Borrower, the Lender may, without further notice:

5.1.1 appoint under seal or by writing under hand of a duly authorised officer of the Lender, any one or more person or persons to be a receiver, or a receiver and manager, of all or any part of the Charged Property; and

5.1.2 (subject to section 45 of the Insolvency Act 1986) from time to time, under seal or by writing under hand of a duly authorised officer of the Lender, remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.

Where more than one person is appointed Receiver, they shall have power to act separately (unless the appointment by the Lender specifies to the contrary).

5.2 The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the Law of Property Act 1925 and the remuneration of the Receiver shall be a debt secured by this charge which shall be due and payable immediately upon its being paid by the Lender.

### **6. Power of Sale Additional**

6.1 The powers of sale and appointing a Receiver conferred by this charge shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the Law of Property Act 1925 or otherwise, and shall be exercisable without the restrictions contained in Sections 103 and 109 of the Law of Property Act 1925 or otherwise.

6.2 The power to appoint a Receiver (whether conferred by this charge or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Charged Property.

### **7. Agent of the Borrower**

Any Receiver appointed by the Lender under this charge shall be the agent of the Borrower and the Borrower shall be solely responsible for his acts and remuneration, as well as for any defaults committed by him.

## **8. Powers of Receiver**

Any Receiver appointed by the Lender under this charge shall, in addition to the powers conferred on him by the Law of Property Act 1925 and the Insolvency Act 1986, have the power to do all such acts and things as an absolute owner could do in the management of such of the Charged Property over which the Receiver is appointed and, in particular, the powers set out in Schedule 5.

## **9. Order of Application of Proceeds**

9.1 All monies received by the Lender or a Receiver in the exercise of any enforcement powers conferred by this charge shall be applied:

9.1.1 first in paying all unpaid fees, costs and other liability incurred by or on behalf of the Lender (and any Receiver, attorney or agent appointed by it);

9.1.2 second in paying the remuneration of any Receiver (as agreed between the Receiver and the Lender);

9.1.3 third in or towards discharge of the Secured Liabilities in such order and manner as the Lender determines; and

9.1.4 finally in paying any surplus to the Borrower or any other person entitled to it.

## **10. Appropriation**

Neither the Lender nor any Receiver shall be bound (whether by virtue of section 109(8) of the Law of Property Act 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

## **11. Suspense Account**

All monies received by the Lender or a Receiver under this charge may, at the discretion of the Lender or Receiver, be credited to any suspense or securities realised account and shall bear interest at such rate, if any, as may be agreed in writing between the Lender and the Borrower, and may be held in such account for so long as the Lender or Receiver thinks fit.

## **12. Power of Attorney**

12.1 By way of security, the Borrower irrevocably appoints the Lender and every Receiver separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things which:

12.1.1 the Borrower is required to execute and do under this charge, including execute any document required by the Lender under paragraph 7 of Part 1 of Schedule 2; and/or

12.1.2 any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this charge or by law on the Lender or any Receiver.

## **13. Ratification of Acts of Attorney**

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in paragraph 12 of this Schedule 4.

**14. Appointment of an Administrator**

- 14.1 The Lender may, without notice to the Borrower, appoint any one or more persons to be an administrator of the Borrower pursuant to Paragraph 14 Schedule B1 of the Insolvency Act 1986 if this charge becomes enforceable.
- 14.2 Any appointment under this paragraph 14 shall:
- 14.2.1 be in writing signed by a duly authorised signatory of the Lender; and
  - 14.2.2 take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986, when the requirements of paragraph 18 of that Schedule B1 are satisfied.
- 14.3 The Lender may (subject to any necessary approval from the court) end the appointment of an Administrator by notice in writing in accordance with this paragraph 14 and appoint a replacement for any Administrator whose appointment ends for any reason under that paragraph.

## **Schedule 5**

### **Further Powers of a Receiver**

**1. Power to Employ Personnel and Advisors**

A Receiver may provide services and employ, or engage, such managers, contractors and other personnel and professional advisors on such terms as he deems expedient.

**2. Power to Charge for Remuneration**

A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Lender may prescribe or agree with him.

**3. Power to Realise Charged Property**

A Receiver may collect and get in the Charged Property or any part of it in respect of which he is appointed and make such demands and take such proceedings as may seem expedient for that purpose, and to take possession of the Charged Property with like rights.

**4. Power to Dispose of Charged Property**

A Receiver may grant options and licences over all or any part of the Charged Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the property of the Borrower in respect of which he is appointed in such manner and generally on such terms and conditions as he thinks fit, and to carry any such sale, assignment, leasing or surrender into effect. Any such sale may be for such consideration as the Receiver thinks fit and he may promote, or concur in promoting, a company to purchase the property to be sold.

**5. Power to Sell Book Debts**

A Receiver may sell and assign all or any of the Book Debts in respect of which he is appointed in such manner, and generally on such terms and conditions, as he thinks fit.

**6. Power to Make Settlements**

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person which he may think expedient.

**7. Power to Make Calls on Borrower Members**

A Receiver may make calls conditionally or unconditionally on the members of the Borrower in respect of the uncalled capital with such and the same powers for that purpose, and for the purpose of enforcing payments of any calls so made, as are conferred by the Articles of Association of the Borrower on its directors in respect of calls authorised to be made by them.

**8. Power to Appoint**

A Receiver may appoint managers, officers, servants, workmen and agents for the purposes of this Schedule 5 at such salaries, for such periods and on such terms as he may determine.

**9. Power to Insure**

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 9, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, such insurance.

**10. Powers Under Law of Property Act 1925**

A Receiver may exercise all powers provided for in the Law of Property Act 1925 in the same way as if he had been duly appointed under that act, and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986.

**11. Power to Borrow**

A Receiver may for any of the purposes authorised by this Schedule 5 raise money by borrowing from the Lender (or from any other person) on the security of all or any of the Charged Property in respect of which he is appointed on such terms as he shall think fit (including, if the Lender consents, terms under which such security ranks in priority to this charge).

**12. Power to Redeem Prior Encumbrances**

A Receiver may redeem any prior Encumbrance and settle and pass the accounts to which the Encumbrance relates. Any accounts so settled and passed shall be conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by him.

**13. Incidental Powers**

A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 5, or which he lawfully may or can do as agent for the Borrower.

**14. Scope of Powers**

Any exercise of any of the powers given by this Schedule 5 may be on behalf of the Borrower, the directors of the Borrower (in the case of the power contained in paragraph 12 of this Schedule 5) or himself.

**Schedule 6**

**Part 1 - Form of notice to banks**

*[On the letterhead of the Borrower]*

[ACCOUNT BANK]

[ADDRESS]

[DATE]

Dear Sirs,

**Charge (Charge) dated [DATE] between Best Publishing Ever International Limited and Anne Street Partners Limited**

This letter constitutes notice to you that under the Charge we have charged, by way of fixed charge, in favour of Anne Street Partners Limited (the **Lender**) all monies from time to time standing to the credit of the account held with you and detailed below (the **Account**), together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest):

**Name of Account: [NAME OF ACCOUNT]**

**Sort code: [SORT CODE]**

**Account number: [ACCOUNT NUMBER]**

We irrevocably instruct and authorise you to:

- disclose to the Lender any information relating to the Account requested from you by the Lender;
- comply with the terms of any written notice or instructions relating to the Account received by you from the Lender;
- hold all sums from time to time standing to the credit of the Account to the order of the Lender; and
- pay or release all or any part of the monies standing to the credit of the Account in accordance with the written instructions of the Lender.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Lender.

This letter is governed by English law.

Please confirm your agreement to the above by sending the attached acknowledgement to the Lender at Arcadia House, Maritime Walk, Ocean Village, Southampton SO14 3TL, with a copy to us.

Yours faithfully,

Signed.....

For and on behalf of the Borrower



## Part 2 - Form of acknowledgement of banks

*[On the letterhead of the bank]*

Anne Street Partners Limited  
Arcadia House  
Maritime Walk  
Ocean Village  
Southampton  
SO14 3TL

[DATE]

Dear Sirs,

**Charge (Charge) dated [DATE] between Best Publishing Ever International Limited and Anne Street Partners Limited**

We confirm receipt from Best Publishing Ever International Limited (the **Borrower**) of a notice (the **Notice**) dated [DATE] of a charge on the terms of the Charge over all monies from time to time standing to the credit of the account detailed below (the **Account**), together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest).

We confirm that we:

- accept the instructions contained in the Notice and agree to comply with the Notice;
- have not received notice of the interest of any third party in the Account;
- have neither claimed nor exercised, nor will claim or exercise any security interest, set-off, counter-claim or other right in respect of the Account.

The Account is:

**Name of Account:** [NAME OF ACCOUNT]

**Sort code:** [SORT CODE]

**Account number:** [ACCOUNT NUMBER]

This letter is governed by English law.

Yours faithfully,

Signed.....

For and on behalf of the bank

EXECUTED as a DEED by  
**BEST PUBLISHING EVER INTERNATIONAL LIMITED**  
acting by a director in the presence of:

)   
)

Director

Witness signature:



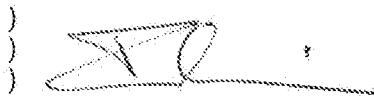
Witness name:

Mark Carrington

Witness address:

c/o 7 Cowley St  
London  
SW1P 3NB

EXECUTED as a DEED by  
**ANNE STREET PARTNERS LIMITED**  
acting by a director in the presence of:

)   
)

Director

Witness signature:



Witness name:

Mark Carrington

Witness address:

c/o 7 Cowley St  
London  
SW1P 3NB