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Particulars of a mortgage or charge

395

CHFP000

A fee of £13 is payable to Companies House in respect of each register entry for the mortgage or charge.

Please do not write in this margin

Pursuant to section 395 of the Companies Act 1985

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

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

For Official use

Company Number

2

11752178.
3958421

Name of Company

Financial Investigations and Recoveries (Europe) Limited

*insert full name of company

Date of creation of the charge

10 April 2007

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

Fixed and Floating Security Document dated 10 April 2007 (the "New Debenture") between (1) the Chargors (as defined below) and (2) Barclays Bank PLC as security agent (the "Security Agent")

Amount secured by the mortgage or charge

(PLEASE SEE ATTACHED CONTINUATION SHEET)

Name and address of the mortgagees or persons entitled to the charge

Barclays Bank PLC of 5 The North Colonnade, Canary Wharf, London (as Security Agent for and on behalf of the Finance Parties (as defined below))

Postcode

E14 4BB

Presentor's name address and reference (if any)

Linklaters
One Silk Street
London EC2Y 8HQ
Tel 020 7456 2000
Ref Paul Latto/Nicholas Zaklana

Please return via
on London Courier

Time critical reference

For official Use
Mortgage Section

Post room

FRIDAY



LD5

20/04/2007
COMPANIES HOUSE

406

Name of Company

Financial Investigations and Recoveries (Europe) Limited

Company Number

3958421

Amount secured by the mortgage or charge

The "**Liabilities**" of each Chargor, which are defined in the New Debenture as meaning

- (a) all present and future moneys, debts and liabilities due, owing or incurred by any Chargor to any Finance Party or to any Hedging Bank or to any Receiver, (i) whether certain or contingent, (ii) whether presently due or falling due at some future time, (iii) whether solely or jointly with any other person, (iv) whether as principal or as surety, and (v) whether arising under lending transactions or not, and in particular but without limitation, all monies and facilities from time to time owing or incurred by the relevant Chargor under the New Finance Documents, and
- (b) (as well as before any judgment, decree or order for payment) capital and interest under the New Finance Documents and other interest, fees, expenses of security enforcement, costs and expenses of litigation and other charges and expenses, computed and compounded from time to time in accordance with the standard practice from time to time of the Security Agent unless otherwise expressly agreed in writing between that Chargor and the Security Agent,

not including (for the avoidance of doubt) in relation to (a) and (b) above any present or future moneys, facilities, debts, liabilities, capital, interest and other costs, fees and expenses, due, owing or incurred by any Chargor in connection with the Acquisition

Short particulars of all the property mortgaged or charged**1 Fixed Charges**

Each Chargor, with full title guarantee and as security for the payment and discharge of all Liabilities, (whether of that or any other Chargor), charges in favour of the Security Agent (as trustee for the Finance Parties)

- 1.1 by way of legal mortgage, all Real Property in England and Wales now belonging to it,
- 1.2 by way of fixed equitable charge, all other Real Property now belonging to it and all Real Property acquired by it in the future, and
- 1.3 by way of fixed charge, all its present and future right, title and benefit in
 - (a) Book Debts,
 - (b) Accounts (together with all interest accruing from time to time on them and the debts represented by them),
 - (c) any Causes of Action to which the Chargor is a party,
 - (d) the Contractual Rights of any Chargor,
 - (e) Investments (including the shares described in Schedule 3 (*Investments*) to the New Debenture) (see Note (3) below),
 - (f) uncalled capital and goodwill,
 - (g) Intellectual Property (including that described in Schedule 4 (*Intellectual Property*) to the New Debenture) (see Note (4) below),
 - (h) beneficial interest in any pension fund,
 - (i) plant and machinery (except that mortgaged or charged by paragraphs 1(a) and 1(b) above),
 - (j) the Chargor's interest in the Insurances including all sums insured by them and all monies payable or to become payable under them and the full benefit of any insurance policies and the benefit of all powers and provisions contained in or conferred by the Insurances and all related proceeds, claims of any kinds and return of premiums or other benefits (but, in the case of Cabot Financial (UK) Limited, only to the extent that the same relate to the Portfolio Accounts),
 - (k) Obligor Documentation,
 - (l) the Dividends,
 - (m) the Receivables,
 - (n) the Account Purchase Agreements (other than Excluded Account Purchase Agreements), and
 - (o) the Portfolio Accounts, including, without limitation
 - (i) the right to demand, sue for, recover, receive and give receipts for all principal payable or to become payable in respect of the Portfolio Accounts or the unpaid part thereof and the interest thereon and any rights or remedies of the relevant Chargor against the Originators in respect thereof, and

Short particulars of all the property mortgaged or charged

- (ii) the benefit of the Obligor Documentation, the right to sue on all covenants given by the Obligors in each Credit Agreement, the right to exercise all the relevant Chargor's powers in relation to each Credit Agreement, each Account Purchase Agreement or otherwise in connection with the Portfolio Accounts and any rights or remedies of the relevant Chargor's against the Portfolio Obligors in respect thereof

2 Floating Charges

- 2.1 Each Chargor, with full title guarantee and as security for the payment of all Liabilities charges in favour of the Security Agent (as trustee for the Finance Parties) by way of floating charge its undertaking and all its assets, both present and future (including assets expressed to be charged by Clause 3 (*Fixed Charges*) or assigned by Clause 5 (*Assignment*) of the New Debenture) and including for the avoidance of doubt all Obligor Documentation
- 2.2 The floating Charge created by each Chargor pursuant to Clause 4 1 (*Creation*) of the New Debenture (and set out above) is a "qualifying floating charge" for the purposes of paragraph 14 2(a) of Schedule B1 to the Insolvency Act and paragraph 14 of Schedule B1 to the Insolvency Act shall apply to the New Debenture
- 2.3 The floating Charge created by each Chargor ranks
 - (a) behind all the fixed Charges created by that Chargor, but
 - (b) in priority to any other Security over the Charged Assets (other than, for the avoidance of doubt, the floating charge created pursuant to the fixed and floating security document dated 22 January 2004 (as more particularly described in paragraph (b) of the definition of "Existing Debentures" below), and the floating charge created pursuant to the fixed and floating security document dated 1 March 2005 (as more particularly described in paragraph (c) of the definition of "Existing Debentures" below), behind which the floating charge created by the New Debenture ranks) of that Chargor except for Security ranking in priority in accordance with paragraph (f) of Schedule 2 (*Rights of Receivers*) of the New Debenture

3 Assignment

Each Chargor, with full title guarantee, assigns (to the extent that the same is not charged pursuant to paragraph 1 (*Fixed Charges*) above) absolutely to the Security Agent (as trustee for the Finance Parties) all its present and future

- (a) right, title and interest in and to the Assigned Contracts (other than Excluded Account Purchase Agreements), including all monies payable to that Chargor and any claims, awards and payments in favour of receivables or received by that Chargor, under or in connection with the Assigned Contracts, and
- (b) rights in relation to its Real Property including all rights against all past, present and future under tenants of its Real Property and their respective guarantees and sureties

4 Equitable Assignment

Each Chargor agrees and acknowledges that the fixed equitable charge on the Accounts, on the Book Debts and, as relevant, on the Receivables shall, unless and until an effective legal assignment is made in favour of the Security Agent, take effect as an equitable assignment of the

Short particulars of all the property mortgaged or charged

Accounts, the Book Debts and the Receivables to the Security Agent, subject only to a proviso for re-assignment on redemption

Note (1) The New Debenture provides that

1 Security

No Chargor shall create or permit to subsist any Security over any of its assets, nor

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor or any other member of the Group,
- (b) sell, transfer or otherwise dispose of any of its receivables on terms whereby any person will or may have any recourse to the Portfolio Accounts,
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts, other than as required under any present or future arrangements with the Lender, or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset, except for

- (i) any Permitted Security,
- (ii) any netting and set-off in the ordinary course of banking arrangements for the purposes of netting debit and credit balances of members of the Group, save where the application of such netting arrangements would be to transfer moneys out of the Borrower, thereby reducing the net credit balance of the Borrower, and
- (iii) liens arising by operation of law and not as a result of a default

2 Disposal

No Chargor shall (nor agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of any Charged Asset, except for

- (a) any sale, lease, transfer or other disposal in the ordinary course of trading of the disposing entity of any Charged Asset subject only to a floating charge before the floating charge crystallises,
- (b) the security created pursuant to the Security Documents,
- (c) disposal of obsolete or redundant property and equipment not required for the operation of the business, on arms' length terms,
- (d) sale of any Portfolio Account to the entity from which it was purchased for an amount at least equal to the amount paid in respect thereof (whether such consideration is in cash or one or more Portfolio Account) as a result of such Portfolio Account not meeting the agreed criteria,
- (e) assets in exchange or replacement for other assets which are comparable or superior as to the type, value and quality of assets being disposed of,
- (f) a disposal from one member of the Group to another member of the Group (other than dormant companies),

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- (g) the sale, transfer or other disposal of up to 25,000 Portfolio Accounts in any calendar month on an arm's length basis for cash, and
- (h) any other sale, lease, transfer or disposal other than any permitted under paragraphs (a) to (g) above not exceeding £1,000,000 in any financial year

3 Conversion by Notice

The Security Agent may convert any floating Charge into a fixed Charge (either generally or specifically) by notice to the relevant Chargor specifying the relevant Charged Assets

- (a) if it considers it desirable to do so in order to protect or preserve the Charges over those Charged Assets and/or the priority of those Charges and provided such grounds shall be specified in the relevant notice, and/or
- (b) while an Enforcement Event is continuing

4 Automatic Conversion

- (a) If any Chargor takes any step to create any Security in breach of Clause 6.1 (*Security*) of the New Debenture over any of the Charged Assets not subject to a fixed Charge, or
- (b) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of those Charged Assets,

the floating Charge over the relevant Charged Assets shall automatically and immediately be converted into a fixed Charge

Note (2) In this Form, except to the extent that the context requires otherwise

"Accession Letter" means a document substantially in the form set out in Schedule 6 (*Form of Accession Letter*) of the Facility Agreement

"Account Purchase Agreement" means a purchase agreement (i) pursuant to which Portfolio Accounts have been purchased from an Originator by or on behalf of Cabot Financial (UK) Limited or (ii) which have been assigned or otherwise transferred to Cabot Financial (UK) Limited

"Accounts" means the CFUL Deposit Account, the FIRE Collection Account, the Collection Account, the CFE Deposit Account and any other bank or building society deposit or current account of a Chargor, any money market deposit, short dated gilt or short term or cash equivalent investment of a Chargor, money held by solicitors or others to a Chargor's order or on its behalf, and monies and funds in the course of collection for a Chargor or to which a Chargor is entitled, is entitled to control or has an interest, and each and all of such accounts and assets whether now existing or hereafter acquired or controlled by a Chargor or on its behalf or which a Chargor becomes, or may become, entitled to control

"Acquisition" means the acquisition by Cabot Financial Holdings Group Limited of the entire issued share capital of Cabot Financial Holdings Limited

"Acquisition Agreement" means the Acquisition Agreement dated 22 January 2004 between CS Structured Credit Fund Limited and Cabot Financial Holdings Group Limited relating to the sale and purchase of the entire issued share capital of Cabot Financial Holdings Limited

"Acquisition Closing Date" means 22 January 2004

Name of Company

Financial Investigations and Recoveries (Europe) Limited

Company Number

3958421

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"Acquisition Documents" means the Shareholders' Agreement, the Acquisition Agreement, and any other document designated as such by the Agent and Cabot Financial Holdings Group Limited

"Additional Borrower" means a company which becomes an Additional Borrower in accordance with Clause 25 (*Changes to the Obligors*) of the Facility Agreement

"Additional Guarantor" means Financial Investigations and Recoveries (Europe) Limited, company registration number 03958421 with its registered office at Glebe House, 2 Clifton Road, Rugby VC21 3PX or any other company which becomes an Additional Guarantor in accordance with Clause 25 (*Changes to Obligors*) of the Facility Agreement

"Additional Lender" means Citibank, N A , London Branch

"Advance Cap" has the meaning given to such term in the Facility Agreement

"Agent" means Barclays Bank PLC in its capacity as agent for the Finance Parties under the terms of the New Finance Documents

"Arranger" means Barclays Bank PLC in its capacity as arranger in relation to the New Finance Documents

"Assigned Contracts" means the Servicing Agreements, each Account Purchase Agreement, the Acquisition Documents, the Obligor Documentation and **"Assigned Contract"** means any one of them

"Book Debts" of a Chargor means all book and other debts of any nature, and all other rights to receive money (excluding rights in respect of balances on Accounts), now or in the future due, owing or payable to it and the benefit of all related negotiable instruments, rights, Security, guarantees and indemnities of any kind

"Borrower" means, Cabot Financial (UK) Limited in its capacity as a borrower under the terms of the Facility Agreement or an Additional Borrower unless it has ceased to be a Borrower in accordance with Clause 25 (*Changes to Obligors*) of the Facility Agreement

"Causes of Action" means all of a Chargor's right, title, interest and benefit, present and future, in and to any causes of and rights of action (and the net proceeds thereof) of a Chargor, against any person in connection with the Charged Assets

"CFE Deposit Account" means the interest bearing deposit account numbered 30819409, sort code 20-00-00 in the name of Cabot Financial (Europe) Limited held with Barclays Bank PLC, as the same may be redesignated or renumbered from time to time (including any sub-accounts)

"CFUL Deposit Account" means the blocked account numbered 70879800, sort code 20-00-00 in the name of Cabot Financial (UK) Limited held with the Barclays Bank PLC, as the same may be redesignated or renumbered from time to time (including any sub-accounts)

"Charge" means all or any of the Security created or expressed to be created by or pursuant to the New Debenture, and **"Charges"** means all such Security

"Charged Assets" means the assets from time to time subject, or expressed to be subject, to the Charges or any part of those assets

"Chargors" mean Cabot Financial (UK) Limited (registered number 03757424), Cabot Financial Holdings Group Limited (registered number 04934534), Cabot Financial (Europe) Limited (registered number 03439445), Cabot Financial Debt Recovery Services Limited (registered

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number 03936134), Cabot Financial Holdings Limited (registered number 04071551) and Financial Investigations and Recoveries (Europe) Limited (registered number 03958421)

"Collection Account" means the account numbered 00258067, sort code 20-00-00 in the name of Cabot Financial (Europe) Limited held with Barclays Bank PLC and any other account or accounts of Cabot Financial (Europe) Limited held with Barclays Bank PLC as are agreed by Cabot Financial (Europe) Limited and the Agent for such purpose as being a "Collection Account", as the same may be redesignated or renumbered from time to time (including any sub-accounts)

"Contractual Rights" means all of a Chargor's right, title, interest and benefit, present and future, in each Transaction Document, including all rights to receive payment of any amounts which may become payable to the Chargor thereunder and all payments received by the relevant Chargor thereunder including, without limitation, all rights to serve notices, give consents and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain other relief in respect thereof

"Credit Agreement" means each written agreement between an Originator and a Portfolio Obligor, including amendments thereto, which sets forth the terms and conditions pursuant to which a Portfolio Account was initially opened

"Credit Application" means the signed original application for credit whereby a person or persons applied to an Originator for the opening of a Portfolio Account

"Cut Off Date" means 31 August 2005

"Declaration of Trust" means the Declaration of Trust dated 22 January 2004 and made by Cabot Financial (Europe) Limited relating to the Collection Account and the CFE Deposit Account

"Dividends" means, in relation to any share charged pursuant to Clause 3 (*Fixed Charges*) and Clause 4 (*Floating Charge*) of the New Debenture, all present and future

- (a) dividends and distributions of any kind and any other sum received or receivable in respect of that share,
- (b) rights, shares, money or other assets accruing or offered by way of redemption, bonus, option or otherwise in respect of that share,
- (c) allotments, offers and rights accruing or offered in respect of that share, and
- (d) other rights and assets attaching to, deriving from or exercisable by virtue of the ownership of, that share

"Enforcement Event" means

- (a) any corporate action, legal proceedings or other procedure or step is taken in relation to the administration of any Chargor,
- (b) any event described in Clause 7 2(a) (*Change of control*) of the Facility Agreement, or
- (c) an Event of Default

"Event of Default" means any event or circumstance specified as such in Clause 23 (*Events of Default*) of the Facility Agreement

"Excluded Account Purchase Agreements" means the Account Purchase Agreements which expressly prohibit an assignment or change of such Account Purchase Agreement

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"Existing Debentures" means

- (a) the deed of charge dated 14 December 2001 between Cabot Financial (UK) Limited, the Security Trustee and CFE (as those terms are defined therein), and
- (b) the fixed and floating security document dated 22 January 2004 between the Chargors and the Security Agent (as those terms are defined therein)

"Existing Facility" means the £60,000,000 revolving credit facility made available under, and in accordance with, the terms of the Existing Facility Agreement

"Existing Facility Agreement" means the £60,000,000 revolving facility agreement originally dated 14 December 2001, as amended and restated in the form set out as Schedule 2 to an amendment and restatement agreement dated 22 January 2004, as amended and restated by the First Existing Facility Agreement Amendment and Restatement Agreement, as further amended by the Existing Facility Letter of Amendment, as further amended and restated pursuant to the Second Existing Facility Agreement Amendment and Restatement Agreement and as further amended and restated pursuant to the Third Existing Facility Agreement Amendment and Restatement Agreement between the Parent, the Company, the Original Guarantors, Morley Limited, the Arranger, the Original Lenders, the Agent and the Security Agent (as those terms are defined therein)

"Existing Facility Agreement Accession Letter" means any document in substantially the form set out in Schedule 6 (*Form of Accession Letter*) to the Existing Facility Agreement

"Existing Facility Agreement Fee Letter" means any letter or letters dated on or about 22 January 2004 between, as the case may be, the Arranger, the Agent and the Parent (as those terms are defined in the Existing Facility Agreement) setting out any of the fees in Clause 11 (*Fees*) of the Existing Facility Agreement

"Existing Facility Letter of Amendment" means the letter of amendment dated 3 March 2005 that amended the Existing Facility Agreement

"Existing Hedging Documents" means the documents entered into between a member of the Group and a Hedging Bank (as that term is defined in the Existing Facility Agreement) for the purpose of implementing the hedging strategy required to be implemented by the Existing Hedging Letter or required to be implemented by the Existing Facility Agreement on substantially the same terms as those set out in the Existing Hedging Letter

"Existing Hedging Letter" means a letter dated on or about 22 January 2004 between the Arranger and the Borrower (as those terms are defined in the Existing Facility Agreement) setting out the hedging strategy agreed in relation to the Acquisition and the Existing Facility

"Existing Liabilities" means, *inter alia*, all present and future moneys, debts and liabilities due, owing or incurred by Cabot Financial Debt Recovery Services Limited, Cabot Financial (Europe) Limited, Cabot Financial Holdings Limited, Cabot Financial (UK) Limited and Cabot Financial Holdings Group Limited under or in connection with the Existing Facility Agreement and the other "Finance Documents" specified therein

"Existing Portfolio" means each collection of Portfolio Accounts owned by Cabot Financial (UK) Limited or by Cabot Financial (Europe) Limited held on trust by Morley Limited for Cabot Financial (UK) Limited prior to the Acquisition Closing Date

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"Facility Agreement" means the £80,000,000 revolving loan facility agreement originally dated 1 March 2005, as amended on 3 March 2005, as further amended on 24 January 2006, as further amended and restated on 7 April 2006 (which final amendment increased the amount of the facility to £50,000,000) and further amended and restated on 10 April 2007 and made between Cabot Financial Holdings Group Limited, Cabot Financial (UK) Limited, the Original Guarantors, Morley Limited, the Arranger, the Lenders, the Agent and the Security Agent

"Fee Letter" means any letter or letters dated on or about 10 April 2007 between, as the case may be, the Arranger, the Agent and Cabot Financial Holdings Group Limited relating to any of the fees set out in Clause 12 (*Fees*) of the Facility Agreement

"File" means, in respect of a Portfolio Account, all information, comments, documents, and any correspondence from or to a Portfolio Obligor, including the Credit Application, Credit Agreement, and statement fiche, which are actually supplied by an Originator and held by Cabot Financial (UK) Limited or on its behalf by Cabot Financial (Europe) Limited

"Finance Document" means

- (a) the Facility Agreement,
- (b) the Second New Facility Agreement Amendment and Restatement Agreement,
- (c) the First New Facility Agreement Amendment and Restatement Agreement,
- (d) the Letter of Amendment,
- (e) the Letter of Variation,
- (f) the Existing Facility Agreement,
- (g) the First Existing Facility Agreement Amendment and Restatement Agreement,
- (h) the Second Existing Facility Agreement Amendment and Restatement Agreement,
- (i) the Third Existing Facility Agreement Amendment and Restatement Agreement,
- (j) the Existing Facility Letter of Amendment,
- (k) any Existing Facility Agreement Fee Letter,
- (l) any Existing Facility Agreement Accession Letter,
- (m) the First New Facility Hedging Side Letter,
- (n) the Second New Facility Hedging Side Letter,
- (o) any New Facility Hedging Document,
- (p) the Existing Hedging Letter,
- (q) any Existing Hedging Document,
- (r) each Security Document,
- (s) the First Intercreditor Agreement Amendment and Restatement Deed,
- (t) the Second Intercreditor Agreement Amendment and Restatement Deed,
- (u) the Third Intercreditor Agreement Amendment and Restatement Deed,
- (v) the Intercreditor Agreement,

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- (w) the Declaration of Trust,
- (x) any Accession Letter,
- (y) any Fee Letter,
- (z) the First Memorandum of Understanding,
- (aa) the Second Memorandum of Understanding,
- (bb) the Third Memorandum of Understanding,
- (cc) the First New Fee Letter,
- (dd) the Second New Fee Letters,
- (ee) the Securitisation Mandate Letter,
- (ff) any Utilisation Request,
- (gg) any other document designated as such by the Agent and the Parent, and
- (hh) any other document designated as such by the Agent and the Parent (as those terms are defined in the Existing Facility Agreement)

"Finance Party" means the Agent, the Security Agent, the Arranger or a Lender

"Financial Indebtedness" means (without double counting) any indebtedness for or in respect of

- (a) moneys borrowed,
- (b) any amount raised by acceptance under any acceptance credit facility,
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument,
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease,
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis),
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing,
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account),
- (h) shares which are expressed to be redeemable, except where issued to Cabot Financial Holdings Group Limited or another Obligor,
- (i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution, and
- (j) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) above

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"FIRE Collection Account" means the blocked account numbered 70986100, sort code 20-00-00 in the name of the Additional Guarantor held with the Barclays Bank PLC, as the same may be redesignated or renumbered from time to time (including any sub-accounts)

"First Existing Facility Agreement Amendment and Restatement Agreement" means the amendment and restatement agreement dated 1 March 2005 between the parties thereto, whereby the Existing Facility Agreement was amended and restated

"First Intercreditor Agreement Amendment and Restatement Deed" means the amendment and restatement deed dated 1 March 2005, between the parties thereto, whereby the Intercreditor Agreement is amended and restated

"First Memorandum of Understanding" means the memorandum of understanding dated 1 March 2005 between Cabot Financial Debt Recovery Services Limited, Cabot Finance Holdings Group Limited, Cabot Financial Holdings Limited, Cabot Financial (Europe) Limited and Cabot Financial (UK) Limited and Barclays Bank PLC (in its capacity as Security Agent and Agent (as that term is defined under the Facility Agreement and under the Existing Facility Agreement))

"First New Facility Agreement Amendment and Restatement Agreement" means the amendment and restatement agreement dated 7 April 2006 amending and restating the Facility Agreement

"First New Facility Debenture" means the fixed and floating security document dated 1 March 2005 between the Chargors and the Security Agent (as those terms are defined therein)

"First New Facility Hedging Side Letter" means the letter dated 7 April 2006 setting out the hedging strategy agreed in relation to the New Facility

"First New Fee Letter" means any letter or letters dated on or about 7 April 2006 between, as the case may be, the Arranger, the Agent and Cabot Financial Holdings Group Limited setting out any of the fees in Clause 12 (*Fees*) of the Facility Agreement

"Fixtures" means fixtures, fittings (including trade fixtures and fittings) and fixed plant, machinery and apparatus

"GAAP" means generally accepted accounting principles, standards and practices in England

"Group" means Cabot Financial Holdings Group Limited and its Subsidiaries from time to time

"Guarantor" means any Original Guarantor and any Additional Guarantors unless it has ceased to be a Guarantor in accordance with Clause 25 (*Changes to Obligors*) of the Facility Agreement

"Hedging Bank" means a Lender (or an affiliate of a Lender) or any other person reasonably acceptable to the Agent which accedes as a hedging bank to the Intercreditor Agreement

"Insolvency Act" means the Insolvency Act 1986

"Insurances" of a Chargor means all contracts and policies of insurance of any kind now or in the future taken out by or on behalf of it or (to the extent of its interest) in which it now or in the future has an interest including, for the avoidance of doubt, the insurance policies maintained by Cabot Financial (Europe) Limited and maintained pursuant to Clause 3.3 of each Servicing Agreement and Keyman Insurance

"Intellectual Property" of a Chargor means all patents, designs, copyrights, topographies, trade marks, trading names, rights in confidential information and know-how, and any associated or similar rights, which it now or in the future owns (in each case whether registered or unregistered)

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and including any related licences and sub-licences of the same granted by it or to it, applications and rights to apply for the same) and which relate to the Portfolio Accounts or any of them

"Intercreditor Agreement" means the Intercreditor Deed dated 22 January 2004 as amended and restated pursuant to the First Intercreditor Agreement Amendment and Restatement Deed, as amended and restated pursuant to the Second Intercreditor Agreement Amendment and Restatement Deed, each between, *inter alios*, Cabot Financial Holdings Group Limited, Cabot Financial (UK) Limited, the agent and the security agent (named therein)

"Intra Group Loan Agreement" means the intra group Loan Agreement dated on or about 22 January 2004

"Investments" of a Chargor means

- (a) securities and investments of any kind (including shares, stock, debentures, units, depositary receipts, bonds, notes, commercial paper and certificates of deposit),
- (b) warrants, options or other rights to subscribe for, purchase or otherwise acquire securities and investments,
- (c) all rights relating to securities and investments which are deposited with, or registered in the name of, any depositary, custodian, nominee, clearing house or system, investment manager, chargee or other similar person or their nominee, in each case whether or not on a fungible basis (including rights against any such person), and
- (d) all other rights attaching or relating to securities or investments and all cash or other securities or investments in the future deriving from Investments or such rights,

in each case now or in the future owned by it or (to the extent of its interest) in which it now or in the future has an interest, but excluding at all times the share capital in Cabot Services (Europe) SAS and Gabinete Tecnico Contencioso Gescobro S L

"Investors" means Cabot Financial Limited (formerly Pall Mall Finance Acquisitions Limited) and any assignee or transferee of any interest in the Cabot Financial (UK) Limited, where such assignee or transferee has become a party to the Shareholders' Agreement and acceded as an Investor to the Intercreditor Agreement, but does not include any other assignee or transferee

"Keyman Insurance" means insurance policies, worth not less than £1,000,000, to be effected by Cabot Financial Holdings Group Limited on the lives of Ken Maynard and Glen Crawford

"Leases" means

- (a) the lease between Liberty Property Partnership and Cabot Financial (Europe) Limited dated 18 November 2003, and
- (b) the lease to be entered into pursuant to the heads of terms dated 24 November 2005, agreed between Liberty Property Trust UK Limited as landlord and Cabot Financial (Europe) Limited as tenant and relating to the site adjacent to the Gibson Drive entrance to Kings Hill

"Lender" means

- (a) the Original Lender and the Additional Lender, and

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- (b) any bank, financial institution, trust, fund or other entity which becomes a party to the Facility Agreement in accordance with Clause 24 (*Changes to the Lenders*) of the Facility Agreement,

which in each case has not ceased to be a party to the Facility Agreement in accordance with the terms of the Facility Agreement

"Letter of Amendment" means the letter of amendment dated 3 March 2005, between the Obligors and the Agent that amended the Facility Agreement

"Letter of Variation" means the letter of variation dated 24 January 2006 that increased the amounts available under the Facility Agreement from £15,000,000 to £20,000,000

"Loan" means a loan made or to be made under the New Facility or the principal amount outstanding for the time being of that loan

"Morley Declaration of Trust" means the declaration of trust dated 5 November 1996 (as amended by a deed of variation and restatement relating to a declaration of trust dated 30 August 2000 between Morley Limited, Morley Funding Limited and Credit Suisse First Boston) in relation to the Morley Portfolio entered into by Morley Limited

"Morley Portfolio" means those Portfolio Accounts comprised in the Transferred Assets (as defined in the Morley Declaration of Trust)

"Morley Servicing Agreement" means the Servicing Agreement dated 25 May 2001 between the Borrower and Cabot Financial (Europe) Limited relating to the Morley Portfolio

"New Facility" means the revolving loan facility made available under the Facility Agreement as described in Clause 2 (*The New Facility*) of the Facility Agreement

"New Facility Hedging Documents" means the documents entered into between a member of the Group and a Hedging Bank for the purpose of implementing the hedging strategy required to be implemented by the First New Facility Hedging Side Letter and the Second New Facility Hedging Side Letter or required to be implemented by the Facility Agreement on substantially the same terms as those set out in the First New Facility Hedging Side Letter or the Second New Facility Hedging Side Letter

"New Finance Documents" means

- (a) the Facility Agreement,
- (b) the First New Facility Agreement Amendment and Restatement Agreement,
- (c) the Second New Facility Agreement Amendment and Restatement Agreement,
- (d) the Letter of Amendment,
- (e) the Letter of Variation,
- (f) the First New Facility Debenture,
- (g) the Second New Facility Debenture,
- (h) the New Debenture, together with any other security document that may at any time be given as security for any of the Liabilities pursuant to or in connection with any New Finance Document,
- (i) the First Intercreditor Agreement Amendment and Restatement Deed,

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- (j) the Second Intercreditor Agreement Amendment and Restatement Deed,
- (k) the Third Intercreditor Agreement Amendment and Restatement Deed,
- (l) the Intercreditor Agreement,
- (m) the Declaration of Trust,
- (n) any Accession Letter,
- (o) any Utilisation Request,
- (p) the First New Fee Letter,
- (q) the Second New Fee Letter,
- (r) the First New Facility Hedging Side Letter,
- (s) the Second New Facility Hedging Side Letter,
- (t) the New Facility Hedging Documents,
- (u) the First Memorandum of Understanding,
- (v) the Second Memorandum of Understanding,
- (w) the Securitisation Mandate Letter, and
- (x) any other document designated as such by the Agent and Cabot Financial Holdings Group Limited,

and "**New Finance Document**" means any such documents

"**New Portfolio**" means a collection of Portfolio Accounts acquired, or to be acquired, by Cabot Financial (UK) Limited at any time after the Cut Off Date (a) each originally issued or extended to a person or persons domiciled in the United Kingdom or the Republic of Ireland, (b) agreed in writing by Cabot Financial (UK) Limited, Cabot Financial (Europe) Limited and Cabot Financial Debt Recovery Services Limited by submission to the Agent of an eligible portfolio certificate substantially in the form of Part III of Schedule 10 to the Facility Agreement and accepted by the Agent to be Portfolio Accounts for the purposes of the Facility Agreement, on the basis of the representations and warranties given to it by Cabot Financial (UK) Limited in the Utilisation Request, and (c) the Original Gross Cashflow of which has been projected using the Pricing Model

"**Obligor**" means a Borrower or a Guarantor, and "**Obligors**" means any one or more of them

"**Obligor Documentation**" means, in relation to each Portfolio Account

- (a) the Credit Agreements,
- (b) the Credit Applications, and
- (c) the Files,

entered into by the relevant Portfolio Obligor or otherwise relating to that Portfolio Obligor's Portfolio Account, together with any associated rights and security including, without limitation, any guarantee, the Insurances in so far as they relate to the Portfolio Accounts and any other agreements or arrangements relating to the Portfolio Accounts

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"Original Gross Cashflow" means, in respect of a Portfolio, the amount projected to be received in connection with such Portfolio during the Original Period, as determined by the Pricing Model

"Original Guarantors" means Cabot Financial Debt Recovery Services Limited, Cabot Financial (Europe) Limited, Cabot Financial Holdings Limited, Cabot Financial (UK) Limited and Cabot Financial Holdings Group Limited

"Original Lender" means Barclays Bank PLC

"Original Period" means the period of 66 months commencing with the date a Portfolio was, or is to be, acquired by Cabot Financial (UK) Limited

"Originator" means an issuer of unsecured consumer credit from which Portfolio Accounts have been purchased by or on behalf of, or transferred to, Cabot Financial (UK) Limited, and **"Originators"** means all such issuers

"Permitted Security" means

- (a) any Security created pursuant to the Security Documents or required to be created pursuant to the Finance Documents, and
- (b) any Security listed in Schedule 11 (*Permitted Security*) of the Facility Agreement except to the extent the principal amount secured by that Security exceeds the amount stated in that Schedule, and
- (c) any other security other than that permitted under paragraphs (a) and (b) above not exceeding £50,000 in any financial year

"Portfolio" means any New Portfolio, any Recent Portfolio and the Existing Portfolio

"Portfolio Account" means a sub-performing or charged-off, consumer credit card account, instalment loan, or other similar account purchased by or on behalf of, or transferred to, Cabot Financial (UK) Limited, forming part of a Portfolio

"Portfolio Obligor" means, in respect of any Portfolio Account, the person or persons to whom an unsecured credit card, instalment loan, or other such account was originally issued or extended and any other user authorised by that Portfolio Obligor to use such Portfolio Account

"Pricing Model" means version 1 02 of the new financial model, agreed by the Agent (or any other financial model or amendment or supplement to such pricing model agreed by the Agent and Cabot Financial (UK) Limited from time to time), to be used on the acquisition of each New Portfolio for the purpose of, *inter alia*, calculating the Original Gross Cashflow and the Advance Cap in respect of the acquisition of any New Portfolio, as contained on the computer disk provided to the Agent under paragraph 2(i) of Part I of Schedule 2 (*Conditions Precedent to Initial Utilisation*) to the Facility Agreement

"Real Property" means freehold and leasehold property (other than the Leases) in England and Wales and other real property anywhere in the world (in each case including any estate or interest therein, all rights from time to time attached or relating thereto and all Fixtures from time to time therein or thereon)

"Receivables" means in relation to Portfolio Accounts, any amounts owing by a Portfolio Obligor in respect of such Portfolio Account, including any amounts owing in respect of instalment payments or for the payment of goods and services, cash advances, cash advance fees, annual

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membership fees, interest (including interest accrued but not yet billed), finance charges, late charges, and any other fee, expense, or charge of every nature, kind, and description whatsoever

"Receiver" means a receiver and manager or other receiver appointed in respect of the Charged Assets and shall, if allowed by law, include an administrative receiver

"Recent Portfolio" means a collection of Portfolio Accounts acquired by Cabot Financial (UK) Limited at any time after the Acquisition Closing Date but prior to the Cut Off Date (a) each originally issued or extended to a person or persons domiciled in the United Kingdom, (b) agreed in writing by the Cabot Financial (UK) Limited, Cabot Financial (Europe) Limited and Cabot Financial Debt Recovery Services Limited by submission to the Agent of an eligible portfolio certificate substantially in the form of Part III of Schedule 10 to the Facility Agreement and accepted by the Agent to be Portfolio Accounts for the purposes of this Agreement, and (c) the Original Gross Cashflow of which has been projected using the Pricing Model

"Restatement Date" means the Effective Date as defined in the Second New Facility Agreement Amendment and Restatement Agreement

"Retention Account" has the meaning given to such term in the Facility Agreement

"Second Existing Facility Agreement Amendment and Restatement Agreement" means the amendment and restatement agreement dated 7 April 2006 between the parties thereto, whereby the Existing Facility Agreement is amended and restated

"Second Intercreditor Agreement Amendment and Restatement Deed" means the amendment and restatement deed dated 7 April 2006 between the parties thereto, whereby the Intercreditor Agreement is amended and restated

"Second Memorandum of Understanding" means the memorandum of understanding dated 7 April 2006 between Cabot Financial Debt Recovery Services Limited, Cabot Financial Holdings Group Limited, Cabot Financial Holdings Limited, Cabot Financial (Europe) Limited and Cabot Financial (UK) Limited and Barclays Bank PLC (in its capacity as Security Agent and Agent (as that term is defined under the Facility Agreement) and under the Existing Facility Agreement)

"Second New Facility Agreement Amendment and Restatement Agreement" means the amendment and restatement agreement dated on or about the Restatement Date amending and restating the Facility Agreement

"Second New Facility Debenture" means the fixed and floating security document dated on or about 7 April 2006 between the Chargors and the Security Agent

"Second New Facility Hedging Side Letter" means the letter dated on or about the Restatement Date setting out the hedging strategy agreed in relation to the New Facility

"Second New Fee Letters" means the letters dated on or about the Restatement Date setting out the fees in Clause 12 3 (*Agency Fee*) and Clause 12 4 (*Lender Fee*) of the Facility Agreement

"Securitisation Mandate Letter" has the meaning given to it in Clause 22 32 (*Securitisation Mandate*) of the Facility Agreement

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

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"Security Agent" means Barclays Bank PLC in its capacity as security agent for the Finance Parties under the terms of the New Finance Documents

"Security Document" means each of the Existing Debentures, the New Debenture and any other security document that may at any time be given as security for any of the Liabilities or, as the case may be, any of the Existing Liabilities pursuant to or in connection with any Finance Document

"Servicing Agreements" means

- (a) the Servicing and Origination Agreement,
- (b) the Morley Servicing Agreement, and
- (c) any other agreement between Cabot Financial (Europe) Limited and Cabot Financial (UK) Limited relating to the administering of Portfolio Accounts, substantially in the form of the Servicing and Origination Agreement, and agreed in writing by Cabot Financial (Europe) Limited, Cabot Financial (UK) Limited and the Agent to be a Servicing Agreement for the purposes of the Facility Agreement

"Servicing and Origination Agreement" means the Servicing and Origination Agreement dated 12 August 1999 between Cabot Financial (UK) Limited and Cabot Financial (Europe) Limited relating to, *inter alia*, the Portfolio Accounts

"Shareholders' Agreement" means the subscription and shareholders' agreement dated 22 January 2004 between, *inter alios*, the Investors and Cabot Financial Holdings Group Limited relating to, *inter alia*, the subscription for shares in Cabot Financial Holdings Group Limited by the Investors.

"Subsidiary" means a subsidiary within the meaning of section 736 of the Companies Act 1985 and, in relation to financial statements of the Group, a subsidiary undertaking within the meaning of section 258 of the Companies Act 1985

"Third Existing Facility Agreement Amendment and Restatement Agreement" means the amendment and restatement agreement dated on or about the Restatement Date between the parties thereto, whereby the Existing Facility is amended and restated

"Third Intercreditor Agreement Amendment and Restatement Deed" means the amendment and restatement deed dated on or about the Restatement Date between the parties thereto, whereby the Intercreditor Agreement is amended and restated

"Third Memorandum of Understanding" means the memorandum of understanding dated the Restatement Date between Cabot Financial Debt Recovery Services Limited, Cabot Financial Holdings Group Limited, Cabot Financial Holdings Limited, Cabot Financial (Europe) Limited, the Additional Guarantor and the Cabot Financial (UK) Limited and Barclays Bank PLC (in its capacity as Security Agent and Agent (as that term is defined in the Facility Agreement) under the Facility Agreement and in its capacity as Security Agent and Agent (as such terms are defined under the Existing Facility Agreement) under the Existing Facility Agreement)

"Transaction Document" means

- (a) each Finance Document,
- (b) the Servicing Agreements,
- (c) Intra Group Loan Agreement,

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(d) the Morley Declaration of Trust, and

(e) the Acquisition Documents,

and any other document designated as such by the Agent and Cabot Financial Holdings Group Limited (each acting reasonably)

“Utilisation” means a utilisation of the New Facility

“Utilisation Request” means the date of a Utilisation, being the date on which the relevant Loan is to be made

Note (3) The Investments specified in Schedule 3 (*Investments*) to the New Debenture are as follows

Shareholder	Company	Par value of share	Number of shares held in company
Cabot Financial Holdings Group Limited	Cabot Financial Holdings Limited	£1 00	19,814,190 ordinary shares
Cabot Financial Holdings Limited	Cabot Financial Debt Recovery Services Limited	£1 00	924,001 ordinary shares
Cabot Financial Debt Recovery Services Limited	Cabot Capital Limited	£1 00	1 ordinary share
Cabot Financial Debt Recovery Services Limited	Financial Investigations and Recoveries (Europe) Limited	£1 00	1 ordinary share
Cabot Financial Debt Recovery Services Limited	Kings Hill (No 3) Limited	£1 00	1 ordinary share
Cabot Financial Debt Recovery Services Limited	Kings Hill (No 2) Limited	£1 00	1 ordinary share
Cabot Financial Debt Recovery Services Limited	Cabot Financial (UK) Limited	£1 00	10,000,000 ordinary shares
Cabot Financial (UK) Limited	Morley Limited	£1 00	2 ordinary shares
Cabot Financial Debt Recovery Services Limited	Cabot Financial (Europe) Limited	£1 00	12,104,790 ordinary “A” shares
Cabot Financial Debt Recovery Services Limited	Cabot Financial (Europe) Limited	US\$0 01	1 ordinary “B” share
Cabot Financial (Europe) Limited	Cabot Financial Limited	£1 00	2 ordinary shares

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Shareholder	Company	Par value of share	Number of shares held in company
Cabot Financial (Europe) Limited	Cabot Financial (International) Limited	£1 00	2 ordinary shares
Cabot Financial (Europe) Limited	Cabot Financial (UK) Limited	£1 00	2 ordinary shares
Cabot Financial (Europe) Limited	Cabot Consumer Services Limited	£1 00	1 ordinary share
Cabot Financial Debt Recovery Services Limited	Kings Hill Capital Limited	£1 00	1 ordinary share
Cabot Financial Debt Recovery Services Limited	Kelly Systems Limited	€1 269738	293,159 ordinary "A" shares
Cabot Financial Debt Recovery Services Limited	Kelly Systems Limited	€0 634869	75,955 ordinary "B" shares

Note (4) The Intellectual Property specified in Schedule 4 (*Intellectual Property*) to the New Debenture is as follows

Registered Intellectual Property

Cabot Financial (Europe) Limited

Mark CREDIT WHERE ITS DUE

Number 2245961

Status Registered until next renewal due 19 9 2010

Class 36

FILE COPY



**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

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

COMPANY No 03958421

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A FIXED AND FLOATING SECURITY DOCUMENT DATED THE 10th APRIL 2007 AND CREATED BY FINANCIAL INVESTIGATIONS AND RECOVERIES (EUROPE) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM ANY CHARGOR TO ANY FINANCE PARTY OR TO ANY HEDGING BANK OR TO ANY RECEIVER 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 20th APRIL 2007

GIVEN AT COMPANIES HOUSE, CARDIFF THE 27th APRIL 2007

HC0268



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES