

641670/13

In accordance with Section 860 of the Companies Act 2006

MG01

Particulars of a mortgage or charge



A fee is payable with this form.
We will not accept this form unless you send the correct fee
Please see 'How to pay' on the last page

Please return
via
CH London Counter

What this form is for
You may use this form to register particulars of a mortgage or charge in England and Wales or Northern Ireland

What this form is NOT for
You cannot use this form to register particulars of a charge for a Scottish company. To do this, please use form MG01s

THURSDAY



L12 *LHVPNUO* 21
30/09/2010
COMPANIES HOUSE

1 Company details

Company number	<input checked="" type="checkbox"/>	0	2	5	7	9	6	9	2
Company name in full		Softbrands Europe Limited (the Chargor)							

3		For official use
→ Filing in this form Please complete in typescript or in bold black capitals All fields are mandatory unless specified or indicated by *		

2 Date of creation of charge

Date of creation	<input checked="" type="checkbox"/>	d2	d1	m0	m9	y2	y0	y1	y0
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3 Description

Please give a description of the instrument (if any) creating or evidencing the charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'	
Description	A debenture dated 21 September 2010 and made between (1) the Chargor and (2) Wells Fargo Capital Finance, Inc, a California corporation as collateral agent and trustee for the Finance Parties (the Security Trustee) (the Debenture)

4 Amount secured

Please give us details of the amount secured by the mortgage or charge	
Amount secured	The UK Obligations For the definition of this term see MG01 continuation sheet

Continuation page Please use a continuation page if you need to enter more details

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5**Mortgagee(s) or person(s) entitled to the charge (if any)**

Please give the name and address of the mortgagee(s) or person(s) entitled to the charge

Continuation page
Please use a continuation page if you need to enter more details

Name

Wells Fargo Capital Finance, Inc (as security trustee)

Address

One Boston Place, 18th Floor

Boston MA, 02108, United States of America

Postcode

Name

Address

Postcode

6**Short particulars of all the property mortgaged or charged**

Please give the short particulars of the property mortgaged or charged

Continuation page
Please use a continuation page if you need to enter more details

Short particulars

Please see MG01 Continuation Sheet attached

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Particulars as to commission, allowance or discount (if any)

Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his

- subscribing or agreeing to subscribe, whether absolutely or conditionally, or
- procuring or agreeing to procure subscriptions, whether absolute or conditional,

for any debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered

Commission allowance or discount

Nil

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Delivery of instrument

You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860). If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 866)

We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 870). The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it. Where a body corporate gives the verification, an officer of that body must sign it. We will also accept a verified copy where section 867(2) applies (property situated in another part of UK)

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Signature

Please sign the form here

Signature

Signature

X JNR Denton UK LLP X

This form must be signed by a person with an interest in the registration of the charge

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Particulars of a mortgage or charge

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form and will establish where we return the original documents. The contact information you give will be visible to searchers of the public record

Contact name Sean Crowley SRC/79892 00012

Company name SNR Denton UK LLP

Address One Fleet Place

Post town London

County/Region

Postcode EC4M 7WS

Country

DX DX 242 LONDON/CHANCERY LANE

Telephone 020 7242 1212

Certificate

We will send your certificate to the presenter's address if given above or to the Company's Registered Office if you have left the presenter's information blank

Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following.

- The company name and number match the information held on the public Register
- You have included the original deed with this form
- You have entered the date the charge was created
- You have supplied the description of the instrument
- You have given details of the amount secured by the mortgagee or chargee
- You have given details of the mortgagee(s) or person(s) entitled to the charge
- You have entered the short particulars of all the property mortgaged or charged
- You have signed the form
- You have enclosed the correct fee

Important information

Please note that all information on this form will appear on the public record

How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge

Make cheques or postal orders payable to 'Companies House'

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1

Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

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Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

1 Covenant to pay

1 1 The Chargor covenanted to the Security Trustee and the other Finance Parties that they would on demand pay and discharge the UK Obligations when due

2 Creation of Security

2.1 Land

The Chargor charged

(a) by way of legal mortgage its interest in the Land referred to opposite its name in Schedule 1 of the Debenture, being Unit 1 Dalton Court, Blackburn Interchange, Blackburn, Lancashire, and

(b) by way of fixed charge any right, title or interest which it has at the date of the Debenture or may subsequently acquire to or in any other Land

2.2 Shares

The Chargor mortgaged or (if or to the extent that the Debenture did not take effect as a mortgage) charged by way of fixed charge

(a) all Shares, and

(b) all related Distribution Rights

2.3 Investments

The Chargor mortgaged or (if and to the extent that the Debenture did not take effect as a mortgage) charged by way of fixed charge

(a) all Investments, and

(b) all related Distribution Rights,

including those held for it by any nominee

2.4 Equipment

The Chargor charged by way of fixed charge all Equipment in so far as it was not charged by way of legal mortgage under Clause 3.1 of the Debenture (*Land*) (as set out above)

2.5 Intellectual Property Rights

The Chargor charged by way of fixed charge all Intellectual Property Rights

2.6 Goodwill

The Chargor charged by way of fixed charge its goodwill

MG01 - continuation page

Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged
	Please give the short particulars of the property mortgaged or charged
Short particulars	<p>2.7 Uncalled capital</p> <p>The Chargor charged by way of fixed charge its uncalled capital</p> <p>2.8 Authorisations</p> <p>The Chargor charged by way of fixed charge the benefit of all Authorisations held by it in relation to any Security Asset</p> <p>2.9 Derivative Contracts</p> <p>The Chargor charged by way of fixed charge its right to receive all moneys payable under any Derivative Contract</p> <p>2.10 Future Intellectual Property Rights</p> <p>The Chargor charged by way of fixed charge all Intellectual Property Rights acquired by or transferred to the Chargor after the date of the Debenture which were required to be notified to the Security Trustee under Clause 7.6.4 of the Debenture</p> <p>2.11 Assigned Agreements</p> <p>2.11.1 The Chargor assigned absolutely all its rights and interests under the Assigned Agreements to which it is party</p> <p>2.11.2 Unless (i) an event of default is continuing and (ii) instructions have been given by the Security Trustee, but subject to Clause 7.5 of the Debenture (<i>Assigned Agreements, Derivative Contracts and Insurances</i>), the relevant Chargor may continue to deal with the counterparties to the relevant Assigned Agreements</p> <p>2.12 Insurances</p> <p>2.12.1 The Chargor assigned absolutely all its rights and interests in the Insurances</p> <p>2.12.2 Unless (i) an event of default is continuing and (ii) instructions have been given by the Security Trustee, but subject to Clause 7.5 of the Debenture (<i>Assigned Agreements, Derivative Contracts and Insurances</i>), the Chargor may continue to deal with the counterparties to the Insurances</p> <p>2.13 Contractual rights</p> <p>The Chargor charged by way of fixed charge all its rights under all deeds and agreements to which it is a party other than</p> <p>(a) the Assigned Agreements which were effectively assigned by Clause 3.11 (<i>Assigned Agreements</i>) of the Debenture (as set out in Section 2.1 of this form MG01), and</p> <p>(b) the Derivative Contracts</p> <p>2.14 Other assets</p> <p>2.14.1 Each Chargor charged by way of floating charge all its present and future business, undertaking and assets which were not effectively mortgaged, charged by way of fixed charge or assigned under Clause 3 of the Debenture (as set out in herein)</p> <p>2.14.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge</p>

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Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

created by the Debenture

2.15 Trust

2 15 1 Subject to Clause 3 15 2 of the Debenture, if or to the extent that for any reason the assignment or charging of any Security Asset is prohibited, the relevant Chargor holds it on trust for the Security Trustee

2 15 2 If the reason referred to in Clause 2 15 1 is that

(a) a consent or waiver must be obtained, or

(b) a condition must be satisfied,

then

(i) subject to Clause 2 15 3, the Chargor shall apply for the consent or waiver, and

(ii) the Chargor shall use all reasonable endeavours to satisfy the condition,

in each case within 14 days of the date of this Debenture or, if the Security Asset is acquired after the date of this Debenture, within 14 days of the date of acquisition

2 15 3 Where the consent or waiver is not to be unreasonably withheld, the Chargor shall

(a) use all reasonable endeavours to obtain it as soon as possible, and

(b) acting reasonably, keep the Security Trustee informed of the progress of the negotiations to obtain it

2 15 4 On the waiver or consent being obtained, or the condition being satisfied, the Security Asset shall be mortgaged, charged or assigned (as appropriate) under this Clause 2 and, in relation to such Security Asset, the trust referred to in Clause 2 15 1 shall terminate

3 Nature of Security created

3.1 General

The Security created under the Debenture was created

(a) as a continuing security to secure the payment and discharge of the UK Obligations,

(b) (except in the case of assets which are the subject of a legal mortgage under the Debenture) over all present and future assets of the kind described which are owned by the relevant Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them,

(c) in favour of the Security Trustee as collateral agent and trustee for the Finance Parties, and

(d) with full title guarantee (except that the covenant set out in section 3(1) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to all charges, encumbrances and rights, even if the relevant Chargor does not know and could not reasonably be expected to know about them)

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Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

3.2 Security over Derivative Contracts

The Security created under the Debenture over any Derivative Contract shall apply net of any set-off or combination of amounts owed under, and in accordance with the terms of, that Derivative Contract

4 Conversion of floating charge

4.1 Conversion on notice

Subject to Clause 5 2 (*Limitation*) of the Debenture, the Security Trustee may by notice to a Chargor at any time during the security period convert the floating charge created by that Chargor under the Debenture into a fixed charge in respect of any Security Asset specified in that notice if

- (a) an event of default is continuing, or
- (b) the Security Trustee considers that Security Asset to be in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise to be in jeopardy

4.2 Limitation

Clause 5 1 (*Conversion on notice*) of the Debenture shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986

4.3 Automatic conversion

The floating charge created by the Chargor under the Debenture will convert automatically into fixed charges

- (a) if the Security Trustee receives notice of an intention to appoint an administrator of that Chargor,
- (b) if any steps are taken, (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or receiver in respect of that Chargor over all or any part of its assets, or if such person is appointed,
- (c) if that Chargor creates or attempts to create security over all or any of the Security Assets, other than permitted security,
- (d) on the crystallisation of any other floating charge over the Security Assets,
- (e) if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process, or attempts to do so, and

in any other circumstances prescribed by law

5 Negative pledge

The Chargor shall not create or permit to subsist any security over any Security Asset except for permitted security

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Short particulars of all the property mortgaged or charged

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Short particulars

5 **Definitions**

In this form MG01

"Assigned Agreements" means the amadeus acquisition documents, the material contracts and the intra-group loan agreements

"Authorisation" means an authorisation, consent persuasion, approval, resolution, licence, exemption, filing, notarisation or registration

"Credit Agreement" means the amended and restated credit agreement dated 21 September 2010 between, among others, Steel Holdings, Inc and the Security Trustee (as amended from time to time)

"Derivative Contracts" means

- (a) any hedge agreement, and
- (b) any other master agreement, schedule, confirmation, novation or other instrument entered into by the Chargor and a counterparty in connection with protection against or benefit from fluctuation in any rate or price

"Distribution Rights" means all dividends, interest and other distributions paid or payable on or in respect of any Investments or Shares and any right to receive them

"Equipment" means, in relation to a Chargor, all its fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment and the benefit of all related Authorisations, agreements and warranties

"Finance Party" means any member of the Lender Group, any Bank Product Provider or the Security Trustee and **Finance Parties** shall mean all of them (each capitalised term as defined in the Credit Agreement)

"Insurance" means, in relation to a Chargor, each contract or policy of insurance to which that Chargor is a party or in which it has an interest

"Intellectual Property Rights" means

- (a) any patents, petty patents, trade marks, service marks, trade names, domain names, rights in designs, software rights, utility models, database rights, copyrights (including without limitation in respect of any source code), rights in the nature of copyright, and all other forms of intellectual or industrial property,
- (b) any rights in or to inventions, formulae, confidential or secret processes and information, know-how and similar rights, goodwill and any other rights and assets of a similar nature, and
- (c) any other right to use, or application to register or protect, any of the items listed in paragraphs (a) or (b) above,

which may at the date of the Debenture or in the future subsist anywhere in any jurisdiction and whether registered or not

"Investments" means all or any stocks, shares (other than any Shares), bonds and securities of any kind (marketable or otherwise), negotiable instruments and warrants and

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Short particulars of all the property mortgaged or charged

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Short particulars

any other financial instruments (as defined in the Regulations) which are governed by English law

"Land" has the same meaning as it has in section 205(1) of the Law of Property Act 1925

"Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003 (S I 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and **Regulation** means any of them

"Security Asset" means, in relation to a Chargor, all of its assets which are the subject of any security created or to be created by the Debenture

"Shares" means all shares held by the Chargor in its subsidiaries which are governed by English law

"UK Borrower" means the Chargor

"UK Obligations" means

(a) debts advanced to the UK Borrower, principal and interest (including any interest that, but for the provisions of the Bankruptcy Code, would have accrued) in respect of the 1st Lien Term Loan B and UK Advances, contingent reimbursement obligations with respect to outstanding Letters of Credit issued on behalf of the UK Borrower

(b) premiums, liabilities (including all amounts charged to the UK Borrower's sub account established under the Loan Account pursuant to the Credit Agreement), obligations, fees, charges, costs, Lender Group Expenses (including any fees or expenses that, but for the provisions of the Bankruptcy Code, would have accrued), in each case associated with assets owned by the UK Borrower or loans made or debts advanced to the UK Borrower under the Loan Documents, and

(c) covenants, and duties of any kind and description, in the case of each of the foregoing, owing by the UK Borrower to the Lender Group in respect of, pursuant to or evidenced by the Loan Documents and irrespective of whether for the payment of money, whether direct or indirect, actual or contingent, due or to become due, now existing or hereafter arising, and including all interest not paid when due and all other expenses that the UK Borrower is required to pay or reimburse by law, or otherwise in connection with the Loan Documents, and,

(d) all Bank Product Obligations in respect of Bank Product Agreements entered into with the UK Borrower. Any reference to the Agreement or in the Loan Documents to the UK Obligations shall include all amendments, changes, extensions, modifications, renewals, replacements, substitutions, and supplements, thereto and thereof, as applicable, both prior and subsequent to any Insolvency Proceeding (each capitalised term as defined in the Credit Agreement unless defined in this MG01)



FILE COPY

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

Pursuant to section 869(5) & (6) of the Companies Act 2006

COMPANY NO. 2579692

CHARGE NO. 3

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEBENTURE DATED 21
SEPTEMBER 2010 AND CREATED BY SOFTBRANDS EUROPE
LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME
DUE FROM THE COMPANY TO WELLS FARGO CAPITAL
FINANCE, INC (AS SECURITY TRUSTEE) UNDER THE TERMS OF
THE AFOREMENTIONED INSTRUMENT CREATING OR
EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO
CHAPTER 1 PART 25 OF THE COMPANIES ACT 2006 ON THE 30
SEPTEMBER 2010

GIVEN AT COMPANIES HOUSE, CARDIFF THE 4 OCTOBER 2010

C.C.



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES