

Particulars of a mortgage or charge

395

Please do not write
in this margin

CHA 267

Pursuant to section 395 of the Companies Act 1985

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

To the Registrar of Companies

For official use

Company number

2

1247237

Name of company

insert full name
of company

* HEH INVESTMENTS LIMITED (the "Company") whose registered office is at Harlescott
Lane, Shrewsbury, Shropshire SY1 3AS

Date of creation of the charge

23 July 1999

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

A composite (Singapore law governed) guarantee and debenture dated 23 July 1999 between,
inter alios, Hall Engineering (Holdings) PLC (the "Parent") and certain other of the Parent's
subsidiaries, including the Company, specified therein (the "Original Charging Subsidiaries")
and Chase Manhattan International Limited (the "Debenture")

Amount secured by the mortgage of charge

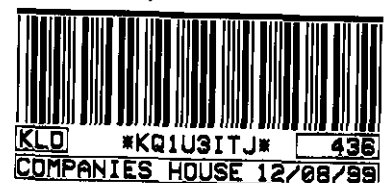
Presentor's name address and
reference (if any):

Norton Rose
Kempson House
Camomile Street
London EC3A 7AN
RGP/144/Z970451/TARG01118S.DOC

Time critical reference

For official Use
Mortgage Section

Post room



Amount secured by the mortgage of charge

All moneys, obligations and liabilities now or hereafter due, owing or incurred by it to Chase Manhattan International Limited as agent (the "Agent") and as security agent (the "Security Agent"), Chase Manhattan plc as arranger (the "Arranger") each bank or other financial institution whose name is set out in schedule 1 of the Facilities Agreement (as defined below) or which assumes rights and obligations pursuant to a substitution certificate substantially in the terms of schedule 5 to the Facilities Agreement (the "Banks"), The Governor and Company of the Bank of Scotland and such other banks and financial institutions as agreed by Acertec Holdings Limited ("Holdco") and the Agent which shall at any relevant time make available ancillary facilities as ancillary facilities banks (the "Ancillary Facilities Banks"), The Chase Manhattan Bank, The Governor and Company of the Bank of Scotland and such other banks and financial institutions which shall at any relevant time be party to any interest rate arrangements ("Hedge Transactions") as hedge counterparties (the "Hedge Counterparties") and The Chase Manhattan Bank in its capacity as acquisition hedge counterparty party to certain forward foreign exchange transactions to convert Singapore Dollars into Sterling (the "Acquisition FX Transactions") as the finance parties (and in each case, with the exception of the Arranger, any respective successors in title, assignees and transferees) (the "Finance Parties") or any of them including, without limitation, all moneys, obligations and liabilities due, owing or incurred under or pursuant to:

(A) the following documents (together and each as it may from time to time be amended, varied, novated, supplemented or replaced, the "Finance Documents"), namely:

(i) the facilities agreement dated 1 April 1999, as amended by a side letter dated 29 April and as restated and amended by a supplemental agreement dated 25 May 1999 and as amended by a side letter dated 23 July 1999 each made between, inter alios, Acertec Investments Limited ("Investments"), Holdco and Acertec Limited ("Interholdco"), the Parent as a borrower, the Arranger, the Banks, the Ancillary Facilities Banks, the Hedge Counterparties, the Acquisition Hedge Counterparty, the Agent, and the Security Agent (the "Facilities Agreement"), insofar only as they constitute or evidence any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent (the "Indebtedness") in respect of each borrowing under (a) the Facilities Agreement and it constitutes or evidences (x) the Indebtedness of the working capital borrowers (the "Working Capital Borrowers") in respect of a working capital facility granted under the Facilities Agreement (the "Working Capital Facility") (other than any drawing of the Working Capital Facility for the purpose of paying interest or other amounts on the acquisition term facility granted under the Facilities Agreement (the "Acquisition Term Facility") and (y) (in relation to all Original Charging Subsidiaries other than BRC Asia Pte Limited, Hall Engineering (Far East) Pte Limited and Carrington Wire Asia Pte Limited (together the "Singapore Charging Subsidiaries")) Indebtedness of the Parent in respect of the advances drawn under the Facilities Agreement to refinance existing indebtedness (the "Refinancing Advances") and interest and other amounts thereon or (in relation to the Singapore Charging Subsidiaries only) the Indebtedness of the Parent in respect of the Refinancing Advances drawn in Sterling and not used to refinance existing Indebtedness of the Singapore Charging Subsidiaries and interest and other amounts thereon, (b) the Ancillary Facilities Letters (as defined below), any agreement by an Ancillary Facilities Bank to provide BACS facilities and any guarantee provided by an Ancillary Facilities Bank of any BACS facilities provided by an Ancillary Facilities Bank, (c) insofar only as the interest rate exposure of the Group (as defined below) is hedged in respect of the amounts from time to time owing under (a) and/or (b) above, the documents evidencing the Hedge Transactions (the "Hedge Documents") and (d) insofar only as they support and secure the amounts from time to time owing or expressed to be owing under (a), (b) and (c) above, the documents listed at (vi) to (xiii) inclusive below.

Amount secured by the mortgage of charge

(ii) the letter in the agreed form entered into, or to be entered into, between the Ancillary Facilities Bank and the Working Capital Borrowers setting the terms and conditions on and subject to which the Ancillary Facilities are available (the "Ancillary Facilities Letter");

(iii) insofar only as the interest rate exposure of the Parent and all its subsidiaries (the "Group") is hedged in respect of amounts from time to time owing or expressed to be owing under (i) and/or (ii) above, the Hedge Documents;

(iv) the letter in the agreed form entered into or to be entered into between Interholdco and the Agent setting out the fees payable in respect of the provision of the facilities under the Facilities Agreement (the "Fee Letters");

(v) insofar only as they support and secure the amounts from time to time owing or expressed to be owing under (i), (ii), (iii) and (iv) above, those of the following documents which have been executed (or purported to have been executed) by all parties thereto and have not been discharged or released at such time;

(vi) a guarantee and debenture dated 25 May entered into by, inter alios, Holdco in favour of the Security Agent (the "Holdco Debenture");

(vii) a guarantee and debenture dated 25 May 1999 entered into by, inter alios, Investments in favour of the Security Agent (the "Investments Debenture");

(viii) a subordination deed dated 25 May 1999 between, inter alios, Interholdco, Investments, Holdco and the Security Agent (the "Subordination Deed");

(ix) three debentures (including the Debenture) dated 23 July 1999 entered into between the Parent and the Original Charging Subsidiaries in favour of the Security Agent (the "Target Group Debentures");

(x) the standard securities governed by Scottish law dated 23 July 1999 and entered into between Square Grip Limited and The British Reinforced Concrete Engineering Co. Limited in favour of the Security Agent (the "Standard Securities");

(xi) the share pledge agreement dated 23 July 1999 given by the Company in favour of the Security Agent (the "Target Group Share Pledge");

(xii) a deed supplemental to the Debenture in the agreed form to be entered into in favour of the Security Agent (the "Supplemental Debenture"); and

(xiii) any and all other mortgages, pledges, liens, charges, assignments for the purpose of providing security, hypothecations, rights in security, security interests or trust arrangements for the purpose of providing security, and any other security agreement or other arrangement having the effect of providing security (including, without limitation, the deposit of moneys or property with a person with the primary intention of affording such person a right of set-off or lien) ("Encumbrances"), guarantees and other instruments from time to time entered into by any member of the Group by way of guarantee and/or security in respect of amounts owed to the Finance Parties under the Facilities Agreement (whether or not also in respect of any other Indebtedness);

Amount secured by the mortgage of charge

- (B) the guarantees and indemnities given by the Company under the Debenture, which secure all the obligations under the Finance Documents of each of Holdco, Interholdco, the Parent and each of the Parent's subsidiaries which becomes party to any Finance Document; and
- (C) all other provisions of the Debenture.

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

Chase Manhattan International Limited of 125 London Wall, London EC2Y 5AJ acting as Security Agent for the Finance Parties pursuant to the Facilities Agreement (the "Chargee")

Short particulars of all the property mortgaged or charged

- 1 The Debenture charges all of the present and future assets of the Company
- 2 It creates first fixed charges over all of the present and future assets of the Company of the following types:
 - (a) land, interests in land and fixtures;
 - (b) plant, machinery and equipment;
 - (c) stocks, shares, bonds and other securities of any kind;
 - (d) contracts, debts and claims and their proceeds of collection and credit balances at banks;
 - (e) any and all amounts arising from any Encumbrances and collateral instruments containing or evidencing an obligation (with or without security) to pay, discharge or be responsible directly or indirectly for any liabilities of any person and includes any document creating or evidencing an Encumbrance (the "Debts");
 - (f) the benefit of insurances;
 - (g) goodwill and uncalled capital; and
 - (h) intellectual property of all kinds;in each case, together with all associated rights.
- 3 It also creates a first floating charge over all other present and future assets of the Company.
- 4 The Debenture contains a covenant by the Company that it will not, without the prior written consent of the Security Agent:
 - (a) dispose of, or create or attempt to create or permit to subsist or arise any Encumbrance (other than one permitted under the Facilities Agreement) on or over, the Debts or any part thereof or release, set off or compound or deal with the same otherwise than in accordance

Short particulars of all the property mortgaged or charged

with the Debenture and the Facilities Agreement;

(b) create or attempt to create or permit to subsist in favour of any person other than the Chargee any Encumbrance (except one permitted under the Facilities Agreement) on or affecting the assets described in clauses 1, 2 and 3 above (the "Charged Assets"); or

(c) dispose of the Charged Assets or any part thereof or attempt or agree so to do except disposals expressly permitted by the terms of the Facilities Agreement.

5 If the Company creates or attempts to create a security interest of any kind over any of the assets subject to the floating charge otherwise than in accordance with the covenant referred to in paragraph 4 above or if any person levies or attempts to levy any form of execution or process in respect of any of such assets, the floating charge over the assets concerned will automatically be converted into a fixed charge.

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Norton Rose

Date

12/08/99

On behalf of mortgagee/chargee

Notes

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

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 01247237

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A COMPOSITE (SINGAPORE LAW GOVERNED) GUARANTEE AND DEBENTURE DATED THE 23rd JULY 1999 AND CREATED BY HEH INVESTMENTS LIMITED FOR SECURING ALL MONIES AND ALL OBLIGATIONS DUE OR TO BECOME DUE FROM THE COMPANY TO CHASE MANHATTAN INTERNATIONAL LIMITED ACTING AS SECURITY AGENT FOR THE FINANCE PARTIES (AS DEFINED) OR ANY OF THEM PURSUANT TO THE FACILITIES AGREEMENT INCLUDING WITHOUT LIMITATION ALL MONIES OBLIGATIONS AND LIABILITIES DUE OWING OR INCURRED AS FROM TIME TO TIME VARIES OR EXTENDED UNDER OR PURSUANT TO THE TARGET GROUP DEBENTURE (AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 12th AUGUST 1999.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 17th AUGUST 1999.

VC
Pa



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



COMPANIES HOUSE