

M

Please do not
write in
this margin

COMPANIES FORM No. 395

Particulars of a mortgage or charge

Pursuant to section 395 of the Companies Act 1985

395

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

*Insert full name
of company

To the Registrar of Companies

For official use Company number

M33

2

2402547

Name of company

* SURFACE TECHNOLOGY Plc (the "Company")

Date of creation of the charge

6th May 1993

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

DEBENTURE (the "Deed")

Amount secured by the mortgage or charge

See Continuation Sheet Number 1

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

The Governor and Company of The Bank of Scotland Legal Services
Department Teviot House 41 South Gyle Crescent Edinburgh

Postcode EH12 9DR

Presentor's name, address and
reference (if any): SSH/17855

Brecher & Co
78 Brook Street
London W1Y 2AD

For official use
Mortgage Section

REGISTERED

19 MAY 1993

Post room



Time critical reference

Short particulars of all the property mortgaged or charged

See Continuation Sheets Numbered 2, 3 and 4.

Please do not
write in
this margin

Please complete
legibly, prefer
in black type
bold block
lettering

Particulars as to commission allowance or discount (note 3)

Nil

Signed *Brecher P Co*

Date 18th May 1993

On behalf of ~~[company/mortgagee/chargee]~~

*Delete as
appropriate

Notes

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

CONTINUATION SHEET NUMBER 1

Company Name: Surface Technology Plc

Company No: 2402547

All moneys and liabilities which shall for the time being (and whether on or at any time after such demand) be due owing or incurred in whatsoever manner to the Chargee by the Company whether actually or contingently and whether solely or jointly with any other person and whether as principal or surety and whether or not the Chargee shall have been an original party to the relevant transaction and including interest discount commission and other lawful charges or expenses which the Chargee may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Company's account and so that interest shall be computed and compounded according to the usual mode of the Chargee as well after as before any demand made or judgement obtained hereunder.

CONTINUATION SHEET NUMBER 2

Company Name: Surface Technology Plc

Company No: 2402547

The Company as beneficial owner charged with the payment or discharge of all moneys and liabilities covenanted to be paid or discharged pursuant to the Deed by the Company:-

1. By way of legal mortgage all the freehold and leasehold property of the Company now vested in it whether or not the title thereto is registered at H M Land Registry together with all buildings and fixtures (including trade and tenant's fixtures) now and hereafter thereon and all plant and machinery now and hereafter annexed thereto for whatever purpose;
2. By way of fixed charge all freehold and leasehold property hereafter belonging to the Company together with all buildings and fixtures (including trade and tenant's fixtures) thereon and all plant and machinery annexed thereto for whatever purpose;
3. By way of fixed charge all interests not hereinbefore effectively charged now or hereafter belonging to the Company in or over land or the proceeds of sale of land all licences now or hereafter held by the Company to enter upon or use land and the benefit of all other agreements relating to land to which the Company is or may become party or otherwise entitled and all trade and tenant's fixtures plant and machinery now and hereafter annexed for whatever purpose to all freehold and leasehold property an interest in which stands charged pursuant to the Deed;
4. By way of fixed charge of the goodwill and uncalled capital for the time being of the Company;
5. By way of fixed charged all stocks shares and other securities now or hereafter owned (whether at law or in equity) by the Company and all rights and interests of the Company in and claims under all policies of insurance and assurance now or hereafter held by or insuring to the benefit of the Company;
6. By way of fixed charge all patents, trade marks, patent applications, brand names, copyrights, rights in the nature of copyright, registered designs and other intellectual property rights and agreements relating to the use by the Company of patents and trade marks to which the Company is now or may hereafter become entitled and all agreements under which the Company is now or may become entitled to the payment of any royalty fee or similar income;
7. By way of fixed charge all book and other debts of the Company whether now or hereafter existing and whether presently payable or hereafter falling due for payment and all rights and claims of the Company against third parties now or hereafter existing and capable of being satisfied by the payment of money (save as charged under paragraph 5 above);
8. By way of floating charge all the undertaking property and assets of the Company whatsoever and wheresoever present and future (the "Assets") whatsoever and wheresoever not otherwise effectively charged by way of

CONTINUATION SHEET NUMBER 3

Company Name: Surface Technology Plc

Company No: 2402547

fixed charge in the Deed including (without limitation) any immovable property of the Company situate in Scotland and any Assets falling within any of the types mentioned in paragraph 3 to 7 (inclusive) above situate in Scotland; and

9. The Company shall pay into the Company's account with the Chargee or as the Chargee may direct all moneys which it may receive in respect of any policies of insurance or assurance royalties or book or other debts or any other of the rights and claims charged pursuant to the Deed to the Chargee under paragraph 5, 6 and 7 and until such payment hold all moneys so received upon trust for the Chargee.

NOTE (inter alia)

- (A) The Company is not to be at liberty to create otherwise than in favour of the Chargee any mortgage or fixed or floating charge or other security upon and so that no lien (other than a lien arising through operation of law in the ordinary course of business) shall in any case or in any manner arise on or affect any part of such Assets either in priority to or pari passu with the floating charge created in the Deed and further that the Company shall have no power without the consent of the Chargee to part with or dispose of any part of such Assets except by way of sale in the ordinary course of its business.
- (B) The Company shall not without the previous written consent of the Chargee create or purport or attempt to create any mortgage charge or encumbrance on any freehold or leasehold property of the Company or any other Asset subject to a fixed charge in the Deed nor in any way dispose of the equity of redemption thereof or any interest therein.
- (C) The Company shall not without the prior written consent of the Chargee charge factor discount or assign any of the policies royalties debts rights or claims charged pursuant to the Deed in favour of any other person or purport so to do.
- (D) During the continuance of the security created by the Deed:-
- (i) The Company shall not without the previous written consent of the Chargee redeem or purchase any of its own shares or issue any redeemable shares;
- (ii) No statutory or other power of granting or agreeing to grant or of accepting or agreeing to accept surrenders of leases or tenancies of the freehold and leasehold property charged pursuant to the Deed or any part thereof shall be capable of being exercised by the Company without the previous written consent of the Chargee; and
- (iii) The Company shall not be entitled to part with possession (otherwise than on the determination of any lease tenancy or licence) of any property charged pursuant to the Deed or

CONTINUATION SHEET NUMBER 4

Company Name: Surface Technology Plc

Company No: 2402547

to share the occupation thereof with any other person or persons or to surrender or purport to surrender or permit to be forfeited the lease of any leasehold property charged pursuant to the Deed without the consent of the Chargee.

FILE COPY



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

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

I hereby certify that a mortgage or charge dated the 6th MAY 1993
and created by SURFACE TECHNOLOGY PLC

for securing all moneys now due, or hereafter to become due, or from time
to time accruing due from the company to THE GOVERNOR AND COMPANY OF THE
BANK OF SCOTLAND

on any account whatsoever

was registered pursuant to Chapter I Part XII of the Companies Act
1985, on the 19th MAY 1993

Given under my hand at the Companies Registration Office,
Cardiff the 21st MAY 1993

No. 2402547

[Signature]
D. JONES

an authorised officer

C.69a

L-C
21.5
11.11