

COMPANIES FORM No. 395**Particulars of a mortgage or charge****395****A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.**

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

3042647

Name of company

* Filtronic (Overseas Holdings) Limited (the "Chargor")

Date of creation of the charge

17 February 2004

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

Debenture (the "Debenture")

Amount secured by the mortgage or charge

Please refer to schedule 1 attached

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

Barclays Bank PLC, 5 North Colonnade, Canary Wharf, London, as agent
and trustee for itself and each of the Senior Beneficiaries (the
"Security Trustee")

Postcode E14 4BB

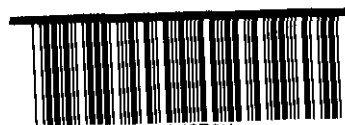
Presentor's name address and
reference (if any):Eversheds LLP
Cloth Hall Court
Infirmary Street
Leeds
LS1 2JB

C5.SKP.687791

Time critical reference

For official Use
Mortgage Section

Post room

A13
COMPANIES HOUSE0672
02/03/04

Short particulars of all the property mortgaged or charged

Please refer to schedule 2 attached

Please do not
write in
this margin

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

01

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Everheds LLP

Date

1 March 2004

On behalf of [XXXXXX] [mortgagee/chargee]†

A fee of £10 is
payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

† 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 (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.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF14 3UZ

SCHEDULE 1 TO FORM 395

All money, obligations and liabilities now or hereafter due, owing or incurred to the Lenders (or any of them) and/or the Security Trustee under each or any of the Senior Debt and Hedging Liabilities in whatsoever manner in any currency or currencies whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety or in any other capacity whatsoever together with all interest accruing thereon and all costs, charges and expenses incurred in connection therewith PROVIDED THAT no obligation or liability shall be included in the definition of "Secured Obligations" to the extent that if it were so included the Debenture (or any part thereof) would give rise to financial assistance within the meaning of Sections 151 to 155 (inclusive) of the Companies Act 1985

(the "Secured Obligations")

SCHEDULE 2 TO FORM 395

1. The Chargor, as a continuing security for the payment to the Security Trustee of the Secured Obligations, hereby charges with full title guarantee in favour of the Security Trustee the following assets, both present and future, from time to time owned by the Chargor or in which the Chargor is from time to time interested:
 - 1.1 by way of first legal mortgage all the freehold and leasehold property specified in Schedule 2 of the Debenture property together with all buildings and Fixtures at any time thereon, the proceeds of sale derived therefrom and the benefit of all covenants given in respect thereof;
 - 1.2 by way of first legal mortgage all estates and interests in any freehold and leasehold property and any rights under any licence or other agreement or document which gives the Chargor a right to enter upon or use land (except any Secured Property validly charged under paragraph 1.1 above) wherever situated together with all buildings and Fixtures at any time thereon all proceeds of sale derived therefrom and the benefit of all covenants given in respect thereof and any moneys paid after the date hereof or payable in respect of such covenants;
 - 1.3 by way of first fixed charge all other interests (not being made subject to a valid first legal mortgage by paragraph 1.1 or 1.2 above) in any freehold or leasehold property, the buildings and Fixtures and other fixtures and fittings or fixed plant or machinery at any time thereon, and all proceeds of sale derived therefrom and the benefit of all covenants given in respect thereof and all licences to enter upon or use land and the benefit of all other agreements relating to land;
 - 1.4 by way of first fixed charge all plant, machinery, vehicles, computers, office and other equipment now or in the future owned by it and its interest in any plant, machinery, vehicles, computers, office and other equipment in its possession other than (in any case) any for the time being forming part of the Chargor's stock in trade or work in progress, and the benefit of all contracts, licences and warranties relating to the same;
 - 1.5 by way of first fixed charge all the Group Shares together with all Distribution Rights from time to time accruing thereto or thereon;
 - 1.6 by way of first fixed charge all Investments together with all Distribution Rights from time to time accruing thereto or thereon;
 - 1.7 by way of first fixed charge all rights and interests of the Chargor in and claims under and returns of premiums in respect of all policies of insurance and all proceeds thereof either now or in the future held by, or written in favour of, the Chargor or in which the Chargor is otherwise interested;
 - 1.8 by way of first fixed charge all present and future book and other debts, revenues and monetary claims of the Chargor and all rights and claims of whatever nature of the Chargor now or which may at any time be held or enjoyed by it against third parties and against any securities and guarantees in respect of such debts, revenues or claims;
 - 1.9 by way of first fixed charge all monies (including interest) from time to time standing to the credit of any and all present or future accounts with any bank, financial institution, or other person and all debts represented thereby; including without limitation Proceeds Accounts;
 - 1.10 by way of first fixed charge all Intellectual Property Rights owned by the Chargor or in which the Chargor has an interest. To the extent that any such Intellectual Property Rights are not capable of being charged (whether by reason of lack of any necessary third party's consent or otherwise) the charge purported to be effected by this paragraph 1.10 shall operate as an assignment of any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive therefrom or be awarded or entitled to in respect thereof, as continuing security for the payment, discharge and performance of the Secured Obligations;
 - 1.11 by way of first fixed charge the benefit of all present and future agreements and authorisations held or utilised by the Chargor in connection with its business or the use of any of its assets and the right to recover and receive all compensation which may at any time become payable to it in respect thereof to the extent permitted by the terms of such agreements or authorisations;

- 1.12 by way of first fixed charge all the goodwill and uncalled capital of the Chargor; and
- 1.13 by way of first fixed charge all beneficial interests, claims and entitlements of it to any assets of any pension fund.
2. As further continuing security for the payment to the Security Trustee of the Secured Obligations the Chargor assigns (to the fullest extent capable of assignment) with full title guarantee to the Security Trustee all its rights, title and interest in:
- 2.1 to the extent that the same are incapable of being effectively charged pursuant to paragraph 1, the rights and interest of the Chargor in any Intellectual Property Rights.
3. As further continuing security for the payment to the Security Trustee of the Secured Obligations the Chargor hereby charges with full title guarantee in favour of the Security Trustee by way of first floating charge all its assets and undertakings whatsoever and wheresoever both present and future not effectively charged by way of first legal mortgage or first fixed charge pursuant to the provisions of paragraph 1 above or effectively assigned by way of security pursuant to paragraph 2 above.
4. **Negative Pledge**
- 4.1 During the continuance of this security, the Chargor shall not (and Filtronic plc shall procure that the Chargor shall not) without the prior consent in writing of the Security Trustee (except in respect of a Permitted Security or as otherwise permitted by the terms of the Senior Facility Agreement):
- (a) create or permit to subsist (in favour of any person other than the Security Trustee) any Security Interest over any part of the Secured Property; or
 - (b) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by a Senior Obligor or any other member of the Group;
 - (c) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
 - (d) 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; or
 - (e) 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.

SCHEDULE 3 TO FORM 395

"Accession Letter" means a document substantially in the form set out in the Senior Facility Agreement.

"Additional Charging Company" means a company which becomes an Additional Charging Company in accordance with the Senior Facility Agreement.

"Additional Guarantor" means a company which becomes an Additional Guarantor in accordance with the Senior Facility Agreement.

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

"Agent" means Barclays Bank PLC as agent of the other Finance Parties.

"Ancillary Liabilities" means, in relation to any part of the Debt:

- (i) any refinancing, novation, refunding, deferral or extension of any of those liabilities;
- (ii) any further advance which may be made under any agreement supplemental to the relevant Finance Document in respect of such Debt plus all interest thereon and fees and costs in connection therewith;
- (iii) any claim for damages or restitution in the event of rescission of any such liabilities or otherwise in connection with the relevant Finance Document in respect of such Debt;
- (iv) any claim against any Obligor flowing from any recovery by an Obligor or its receiver or liquidator of a payment or discharge in respect of those liabilities on the grounds of preference or otherwise; and
- (v) any amount (such as post-insolvency interest) which would be included in any of the above but for the claim for such amount having been avoided or having become capable of being avoided or not being provable or allowable in any insolvency or other proceedings

"Arranger" means Barclays Capital and HSBC Bank plc as mandated lead arrangers (in this capacity whether acting individually or together)

"Debt" means the Senior Debt and/or the Working Capital Debt and/or the Hedging Liabilities as the context requires

"Deed of Accession" means a deed in the form set out in the Debenture subject to such variations as the Agent shall agree

"Distribution Rights" means all dividends, distributions and other income paid or payable on the relevant Investment or Group Shares (as the case may be) together with all shares or other property derived from the relevant Investment or Group Shares (as the case may be) and together also with all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to the relevant Investment or Group Shares (whether by way of conversion, consolidation, subdivision, substitution, redemption, bonus, preference, option or otherwise)

"Financial Indebtedness" means any indebtedness for or in respect of:

- (i) moneys borrowed;
- (ii) any amount raised by acceptance under any acceptance credit facility;
- (iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP in its form as at 15 January 2004, be treated as a finance or capital lease;
- (v) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

- (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (vii) 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);
- (viii) 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
- (ix) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (viii) above of this definition.

"Finance Documents" means the Senior Finance Documents and/or the WCF Finance Documents and/or the Hedging Documents as the context requires.

"Finance Party" means the Agent, the Senior Security Trustee, the Hedging Bank, the Arranger or a Lender.

"Fixtures" means in relation to any freehold or leasehold property charged by or pursuant to the Debenture, all fixtures and fittings (including trade fixtures and fittings) and fixed plant or machinery from time to time thereon owned by the Chargor or in which the Chargor has an interest to the extent of that interest

"Group" means Filtronic plc and its Subsidiaries for the time being (including the Chargor).

"Group Shares" means the entire issued share capital of the companies specified in schedule 5 of the Debenture or in the schedule to any Deed of Accession, or, when used in relation to the Chargor, such of those shares as are specified against its name in Schedule 5 of the Debenture or as are specified in the schedule to a Deed of Accession to which it is a party, together in each case with all other stocks, shares, debentures, bonds, warrants, coupons or other securities and investments now or in the future owned by (any or when used in relation to the Chargor, that) the Chargor from time to time or any in which it has an interest

"Guarantors" means the Original Guarantors and any other company which becomes a guarantor under any of the Finance Documents

"Hedging Agreements" means any ISDA Master Agreement and other interest hedging agreements or documents entered into by Filtronic plc from time to time with the consent of the Agent on the instructions of the Lenders to hedge the interest liabilities of Filtronic plc under the Senior Finance Documents.

"Hedging Bank" means any Lender or Affiliate of a Lender that enters into a Hedging Agreement with Filtronic plc after 15 January 2004 with the consent of the Agent on the instructions of the Lenders.

"Hedging Document" means each ISDA Master Agreement and any other interest hedging agreements or documents entered into between Filtronic plc and the Senior Hedging Bank with the consent of the Senior Agent (on the instructions of the Senior Lenders) and delivered by the Senior Hedging Bank to the Senior Agent under the Intercreditor Agreement and in each case providing for interest rate hedging facilities to be made available to Filtronic plc in respect of interest liabilities under the Finance Documents (including any contract entered into or confirmation given thereunder).

"Hedging Liabilities" means all present and future sums, liabilities and obligations whatsoever (actual or contingent) payable, owing, due or incurred by Filtronic plc to the Senior Hedging Bank under or in connection with the Hedging Documents, whether or not matured and whether or not liquidated, together with all Ancillary Liabilities relating thereto

"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

"Intellectual Property Rights" means all patents and patent applications, trade and/or service marks and trade and/or service mark applications (and all goodwill associated with any such applications), all brand and trade names, all copyrights and rights in the nature of copyright, all design rights, all database rights, all rights in relation to internet domain names, all registered designs, computer programs and applications

for registered designs, all trade secrets, know-how and all other intellectual property rights throughout the world for their term and any extensions and renewals thereof and all rights to sue for past infringement

“Intercreditor Agreement” means the agreement dated 17 February 2004 made between, among others, the Filtronic plc, the Senior Agent, the Senior Security Trustee, the Lenders and the Working Capital Bank.

“Investment” means any negotiable instrument, certificate of deposit, debenture, share or other investment (as specified for the purposes of Section 22 of the Financial Services and Markets Act 2000 as at the date hereof including (without limitation and save where the context otherwise requires) the Group Shares) owned by the Chargor

“Lender” means:

- (i) any Original Lenders; and
- (ii) any bank, financial institution, trust, fund or other entity which has become a Senior Party in accordance with Clause 23 of the Senior Facility Agreement,
- (iii) which in each case has not ceased to be a Senior Party in accordance with the terms of the Senior Facility Agreement.

“New Obligor” has the meaning given to it in Clause 21.3 of the Intercreditor Agreement

“Obligors” means Filtronic plc, the Guarantors, the New Obligors and any other member of the Group which has undertaken (or in the future undertakes) obligations to all or any of the Senior Lenders, the Working Capital Bank or the Senior Hedging Bank.

“Original Guarantors” means:

Filtronic Comtek (UK) Limited;
Filtronic Compound Semiconductors Limited;
Filtronic Microtek Limited;
Filtronic Broadband Limited;
Filtronic Cable Communications Limited;
Filtronic Components Limited;
Filtronic Properties Limited;
Filtronic (Overseas Holdings) Limited
Filtronic LK Oy, Filtronic Holdings, Inc;
Filtronic Pty Ltd;
Filtronic Compound Semiconductors, Inc;
Filtronic Comtek, Inc;
Sage Laboratories, Inc; and
Filtronic Sigtek, Inc.

“Original Lenders” means Barclays Bank PLC and HSBC Bank plc

“Original Senior Lenders” means HSBC Bank plc and Barclays Bank PLC

“Original Senior Guarantors” means

Filtronic plc
Filtronic Comtek (UK) Limited;
Filtronic Compound Semiconductors Limited;
Filtronic Microtek Limited;
Filtronic Broadband Limited;

Filtronic Cable Communications Limited;
Filtronic Components Limited;
Filtronic Properties Limited; and
Filtronic (Overseas Holdings) Limited;

"Overseas Guarantors" means:

Filtronic LK Oy
Filtronic Holdings, Inc.
Filtronic Pty Ltd
Solid State - Filtronic, Inc
Filtronic Comtek, Inc
Filtronic Sigtek, Inc.
Sage Laboratories, Inc.

"Permitted Security" means the Security which is permitted under Clause 21.4.3 of the Senior Facility Agreement.

"Proceeds Account" means each account opened with and operated by the Agent in accordance with Clause 7.7 of the Senior Facility Agreement

"Secured Property" means all the assets, rights and property, goodwill and undertaking of the Chargor from time to time charged or otherwise the subject of any Security Interest created hereby or pursuant hereto which includes for the avoidance of doubt the Chargor's rights to or interest in any chose in action

"Security Documents" means the Debenture and any deed of accession thereto and all other documents and arrangements creating or evidencing any security, in favour of a Finance Party in respect of the obligations of any Senior Obligor under the Senior Finance Documents.

"Security Interest" means a mortgage, charge, pledge, lien, right of set off or other security interest securing any obligation of any person or any other agreement or arrangement having similar commercial effect

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

"Senior Agent" means Barclays Bank PLC as agent for the Senior Lenders

"Senior Beneficiaries" means the Senior Lenders, the Senior Hedging Bank, the Security Trustee and the Senior Agent.

"Senior Debt" means all present and future sums, liabilities and obligations whatsoever (actual or contingent) payable, owing, due or incurred by the Obligors or any of them to the Senior Lenders or any of them under or in connection with the Senior Finance Documents, whether or not matured and whether or not liquidated, together with the Ancillary Liabilities relating thereto (provided that any Hedging Liabilities of a Senior Lender in its capacity as Senior Hedging Bank are excluded for this purpose) plus accrued but unpaid interest fees, costs, charges and expenses relating thereto

"Senior Facility Agreement" means the facility agreement dated 15 January 2004 made between, among others, Filtronic plc, the Senior Lenders, the Agent and the Senior Security Trustee providing for a term loan facility of £50,000,000 to be made available to Filtronic plc upon and subject to the terms thereof

"Senior Finance Documents" means the Senior Facility Agreement, the Security Documents, the Intercreditor Agreement, and any deed of accession to the Intercreditor Agreement, the Hedging Agreements, any Accession Letter and any other document designated as such by the Agent and Filtronic plc and each a Senior Finance Document.

"Senior Guarantor" means an Original Senior Guarantor or an Overseas Guarantor or an Additional Guarantor or an Additional Charging Company.

"Senior Hedging Bank" means the Original Hedging Bank (if any) and any other bank or financial institution which becomes a party as a Senior Hedging Bank pursuant to the Intercreditor Agreement, in its capacity as provider of interest rate hedging facilities to Filtronic plc.

"Senior Lenders" means the Original Senior Lenders and any other Lender from time to time

"Senior Obligor" means Filtronic plc or a Senior Guarantor.

"Senior Party" means a party to the Senior Facility Agreement

"Senior Security Trustee" means Barclays Bank PLC as security trustee for and on behalf of the Finance Parties.

"Subsidiary" means a subsidiary undertaking within the meaning of section 258 of the Companies Act 1985.

"WCF Finance Documents" means the Working Capital Facility Documents and the WCF Security Documents

"WCF Security Documents" means:

- (iv) the Security as set out in schedule 8 (existing security) of the Senior Facility Agreement;
- (v) any Security granted under any covenant for further assurances in any WCF Finance Document; and
- (vi) any other present or future document conferring or evidencing any Security, guarantee or other assurance against financial loss for, or in respect of, the Working Capital Debt or any of it

"Working Capital Bank" means Barclays Bank PLC

"Working Capital Debt" all present and future sums, liabilities and obligations whatsoever (actual or contingent) payable, owing, due or incurred by the Obligors or any of them to the Working Capital Bank under or in connection with the Working Capital Facility Documents, whether or not matured and whether or not liquidated together in each case with the Ancillary Liabilities relating thereto

"Working Capital Facility Documents" the Working Capital Facility Letters, Composite Accounting Agreement, CAS guarantees and guarantees entered and/or to be entered into by certain Obligors in favour of the Working Capital Bank in its standard form and any other agreements or documents supplemental thereto or entered into connection therewith

"Working Capital Facility Letters" the facility letters dated on or about the date of the Intercreditor Agreement between Filtronic plc and certain of the Obligors and the Working Capital Bank providing for overdraft, money market loans, ancillary facilities, spot and forward exchange transactions, BACS, business master and various other facilities to be made available to Filtronic plc and certain other Obligors

Construction:

- (a) the **"Agent"**, any **"Senior Agent"**, any **"Arranger"**, any **"Lender"**, any **"Security Trustee"**, any **"Senior Security Trustee"**, any **"Finance Party"**, any **"Hedging Bank"**, any **"Senior Hedging Bank"**, any **"Obligor"**, any **"Senior Obligor"**, any **"Senior Party"**, or any **"Chargor"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees
- (b) **"assets"** includes present and future properties, revenues and rights of every description
- (c) a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended or novated;
- (d) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (e) Barclays Capital is a reference to Barclays Capital, the investment banking division of Barclays Bank PLC

- (f) a **“person”** includes any person, firm, company, corporation, government, state or any agency of a state or any association trust or partnership (whether or not having a separate legal personality) of two or more of the foregoing;
- (g) words importing the singular are to include the plural and vice versa.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03042647

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 17th FEBRUARY 2004 AND CREATED BY FILTRONIC (OVERSEAS HOLDINGS) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE TO THE LENDERS (OR ANY OF THEM) AND/OR BARCLAYS BANK PLC AS AGENT AND TRUSTEE FOR ITSELF AND EACH OF THE SENIOR BENEFICIARIES (THE SECURITY TRUSTEE) 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 2nd MARCH 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 4th MARCH 2004.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —