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*insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number

U1218

157575

Name of company

* KILLBY & GAYFORD (JOINERY & SECURITY) LIMITED ("the Company")

Date of creation of the charge

4th August 1998

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

DEBENTURE ("the Deed")

Amount secured by the mortgage or charge

All or any monies and liabilities which will for the time being (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to BoS by the Company, whether actually or contingently, solely or jointly and whether as principal or surety and whether or not BoS shall have been an original party to the relevant transaction, and including interest, discount, commission and other lawful charges or expenses which BoS may in the course of its business charge or incur in respect of any of those matters or for keeping the Company's account, and so that interest shall be computed and compounded according to the usual BoS rates and practice as well after as before any demand made or decree obtained under the Deed ("the Secured Liabilities").

continued on continuation sheet 1, page 2

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

THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND whose Head Office is The Mound, Edinburgh EH1 1YZ ("BoS").

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

Dibb Lupton Alsop
125 London Wall
London EC2Y 5AE

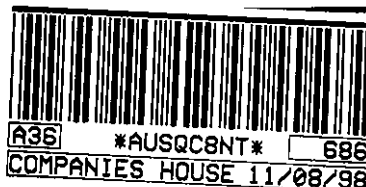
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Time critical reference

For official use
Mortgage Section

Post room



continued on continuation sheet 1, page 4

N/A

Signed

Date 10/8/98

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

† delete as appropriate

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**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 1
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

157575

Name of Company

KILLBY & GAYFORD (JOINERY & SECURITY) LIMITED ("the Company")

Limited*
XXXXXX

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

NOTE.

In this form:-

"Approved Bank" means each of the following:-

- (i) Lloyds Bank Plc, City, North and East London, 2nd Floor, 34 Moorgate, London EC2 6DN; and
- (ii) National Westminster Bank Plc, City of London Office, PO Box 12264, 3rd Floor, 1 Princes Street, London EC2R 8PB; and
- (iii) Barclays Bank Plc, Broadgate Corporate Banking Centre, 155 Bishopsgate, London EC2M 3XA;

"Assets" shall mean the whole of the property (including uncalled capital) which is or may be from time to time comprised in the property and undertaking of the Company;

"BoS Documents" means the Facility Letter (as more particularly defined in the Deed), the Security Documents, the Multi-Option Facility Letter (all as more particularly defined in the Facilities Agreement) and all documents supplemental to any of them;

"Facility Letter" means the facility letter dated 4th August 1998 entered into between inter alia (1) BoS and (2) Killby & Gayford Group Limited;

"Letter of Acknowledgement" means the letter of acknowledgement in the agreed terms to be provided by each of the Approved Banks acknowledging the security rights of BoS over the accounts of the Borrowers (as more particularly defined in the Facilities Agreement) operated by each of the Approved Banks (as the case may be);

"Multi-Option Facility Letter" means the multi-option facility letter dated 4th August 1998 pursuant to which BoS makes available the Multi-Option Facility (as more particularly defined therein).

SCHEDULE

County and District (or London Borough)	Title No.(s) (if registered land)	Address or Description
	nil	

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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- 1.1.2.2 all present and future interests of the Company in or over land or the proceeds of sale of it and all present and future licences of the Company to enter upon or use land and the benefit of all other agreements relating to land to which it is or may become party or otherwise entitled and all fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property charged under the Deed;
- 1.1.2.3 all the Company's goodwill and uncalled capital for the time being;
- 1.1.2.4 all present and future stocks, shares and other securities owned (at law or in equity) by the Company and all rights and interests accruing or offered at any time in relation to them, all rights and interests in and claims under all policies of insurance and assurance held or to be held by or insuring to the benefit of the Company and the benefit of all rights and claims to which the Company is as at 4th August 1998 or may be entitled under any contracts;
- 1.1.2.5 all patents, patent applications, trade marks, trade mark applications, trading names, brand names, service marks, copyrights, rights in the nature of copyright, moral rights, inventions, design rights, registered designs, all trade secrets and know-how, computer rights, programmes, systems, tapes, disks, software, all applications for registration of any of them and other intellectual property rights held or to be held by the Company or in which it may have an interest and the benefit of all present and future agreements relating to the use of or licensing or exploitation of any such rights (owned by the Company or others) and all present and future fees, royalties or similar income derived from or incidental to any of the foregoing in any part of the world;
- 1.1.2.6 all present and future book and other debts and monetary claims of the Company whether payable as at 4th August 1998 or in the future and the benefit of all present and future rights and claims of the Company against third parties relating to them and capable of being satisfied by the payment of money (save as charged under sub-clause 3.1.2(d) of the Deed);
- 1.1.2.7 all present and future plant and machinery not otherwise charged under Clause 3 of the Deed and all other present and future chattels of the Company (excluding any of the same for the time being forming part of the Company's stock in trade or work in progress); and
- 1.1.2.8 all present and future bank accounts, cash at bank and credit balances of the Company with any bank or other person whatsoever and all rights relating or attaching to them (including the right to interest);

continued on continuation sheet 2, page 4

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**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 2
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

157575

Name of Company

KILLBY & GAYFORD (JOINERY & SECURITY) LIMITED ("the Company")

Limited*

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Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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1.1.3 by way of floating charge all the Assets not effectively otherwise charged by Clause 3 of the Deed, including (without limitation) any immovable property of the Company in Scotland and any Assets in Scotland falling within any of the types mentioned in sub-clause 3.1.2 of the Deed, but so that the Company is prohibited from creating any fixed security or mortgage or any other floating charge over the Assets having priority over or ranking pari passu with the floating charge created by sub-clause 3.1.3 of the Deed (otherwise than in favour of BoS) and the Company will have no power without the consent of BoS to part with or dispose of any part of those Assets except by way of sale in the ordinary course of its business.

1.2 BoS may at any time, by notice to the Company, immediately convert the floating charge created under sub-clause 3.1.3 of the Deed into a fixed charge over any Assets specified in that notice and the floating charge will, without notice from BoS, automatically be converted with immediate effect into a fixed charge:-

1.2.1 in respect of any Assets which become subject to a fixed charge in favour of any other person or to a disposition otherwise than by way of sale in the ordinary course of the Company's business immediately upon such charge or disposition;

1.2.2 in respect of all the Assets charged under sub-clause 3.1.3 of the Deed if and when the Company ceases to carry on business or to be a going concern; and

1.2.3 in respect of all Assets on the making of an order for the compulsory winding-up of the Company or on the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Company or on the presentation of a petition for the making of an administration order in relation to the Company or on the presentation of an application for a warrant of execution, writ of fieri facias, garnishee order or charging order.

1.3 Sub-clause 3.2 of the Deed will not apply to any Assets situated in Scotland.

1.4 The Company will not without the previous written consent of BoS:-

1.4.1 create or attempt to create or permit to subsist any mortgage, charge, lien (other than a lien arising in the ordinary course of business by operation of law) or encumbrance on any Asset charged under the Deed; or

1.4.2 dispose of or part with possession in any way (except on the determination of any lease, tenancy or licence) or share occupation of any Asset; or

1.4.3 in any way dispose of the equity of redemption of any such Asset or any interest in any such Asset

and the Company applies (and will apply), to the Chief Land Registrar for a restriction to be entered on the register of title of all present and future registered freehold and leasehold property of the Company in the following terms:-

"Except under an order of the Registrar no disposition by the proprietor of the land is to be registered without the consent of the proprietor for the time being of the charge hereby created".

continued on continuation sheet 3, page 4

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Particulars of a mortgage or charge (continued)

Continuation sheet No 3
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

157575

Name of Company

KILLBY & GAYFORD (JOINERY & SECURITY) LIMITED ("the Company")

Limited*
XXXXXX

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Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

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

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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- 1.5 The Company will, if required to do so by BoS, deposit with BoS during the continuance of the security and BoS will be entitled to hold all deeds and documents of title relating to the Company's freehold, leasehold and heritable property and stocks, shares and other securities and all policies of insurance and assurance.
- 1.6 The Company (at its own cost) will promptly following demand in writing by BoS execute and deliver in such form as BoS may reasonably require:-
- 1.6.1 a legal mortgage of any freehold or leasehold property of the Company which is not effectively charged by sub-clause 3.1.1 of the Deed and of any freehold or leasehold property acquired by the Company after the date of the Deed;
 - 1.6.2 a standard security or other fixed security over the Company's heritable freehold, leasehold or other property;
 - 1.6.3 a fixed charge or assignment in security of any Asset subject to a floating charge under sub-clause 3.1.3 of the Deed and
 - 1.6.4 a chattel mortgage over such chattels, plant and machinery as BoS may specify;
 - 1.6.5 a legal assignment of all fees, royalties, income or book or other debts and the benefit of all rights relating thereto including without limitation, negotiable instruments, legal and equitable charges, reservation of property rights, rights of tracing and unpaid vendor's liens and similar associated rights and give notice thereof to the debtors from whom such monies are due, owing or incurred and take any other steps which BoS may reasonably require to perfect such legal assignment.
- and the Company will do and concur in all such other acts or things as BoS may deem necessary to vest in BoS title to all or any of the Assets.
- 1.7 Any fixed mortgage, charge or other security created after the Deed by the Company in favour of BoS shall have priority over the floating charge created by the Deed, except insofar as BoS shall declare otherwise whether at or after the time of creation of such fixed security.
- 1.8 The Company will pay into its account with BoS or its account(s) held with an Approved Bank (in respect of which a Letter of Acknowledgement has been entered into and for so long as BoS permits monies to be paid to such account(s)) or as BoS may direct all moneys which it receives in respect of any policies of insurance or assurance (save where the relevant monies are permitted pursuant to the terms of the BoS Documents to be applied in making good the loss or damage suffered), fees, royalties, income or book or other debts or any rights and claims charged to BoS under sub-clause 3.1.3 of the Deed and until such payment hold all moneys so received upon trust for BoS and will not without the prior written consent of BoS charge, factor, discount, or assign any of those policies, fees, royalties, income, debts, rights or claims in favour of any other person or purport to do so.
- 1.9 In the event of receipt or recovery of any amounts referred to in clause 3.8 of the Deed by the Company, otherwise than by credit to the accounts referred to in clause 3.8 of the Deed the Company shall pay the same to any of the accounts referred to in clause 3.8 of the Deed for so long as BoS permits monies to be paid to such accounts forthwith upon receipt or recovery and in like funds as received or recovered by the Company and in the meantime the Company shall hold the same on trust for this purpose.

continued on continuation sheet 4, page 4

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**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 4
to Form No 395 and 410 (Scot)

CHA 116

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Company Number

157575

Name of Company

KILLBY & GAYFORD (JOINERY & SECURITY) LIMITED ("the Company")

Limited*
XXXXXX

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Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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2. **Security to be continuing**

The security will be a continuing security for the Secured Liabilities notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities or other matter or thing whatsoever and will be without prejudice and in addition to any other right remedy or security of whatever sort which BoS may hold at any time for the Secured Liabilities or any other obligation whatsoever and will not be affected by any release, reassignment or discharge of such other right remedy or security.

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 00157575

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 4th AUGUST 1998 AND CREATED BY KILLBY & GAYFORD (JOINERY & SECURITY) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 11th AUGUST 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 12th AUGUST 1998.


D. JENKINS

for the Registrar of Companies



COMPANIES HOUSE

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