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CHFP025

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

*Insert full name
of Company

COMPANIES FORM No. 395

080960/10

Particulars of a mortgage or charge

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

[0101]

307859

Name of company

* H & R JOHNSON TILES LIMITED (the "Company")

Date of creation of the charge

17 DECEMBER 2003

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

Legal Charge (the "Charge")

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Company to the Security Beneficiaries (or any of them) under the Finance Documents to which the Company is a party, all reasonable costs, charges and expenses properly incurred by the Security Trustee in connection with the preparation and negotiation of the Charge, and all costs, charges and expenses incurred by the Security Beneficiaries (or any of them) in connection with the protection, preservation or enforcement of the respective rights of any of the Security Beneficiaries under any Finance Documents, 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 Charge (or any part of it) would constitute unlawful financial assistance within the meaning of sections 151 and 152 of the Companies Act 1985 (the "**Secured Obligations**").
All capitalised terms, except those defined elsewhere in this Form M395, are defined in Annexure 1.

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

Lloyds TSB Bank plc : Capital Markets
First floor, 25 Gresham Street
London (the "Security Trustee")

Postcode EC2V 7HN

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

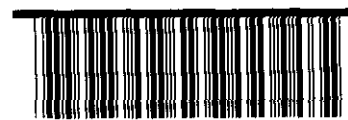
DLA
101 Barbirolli Square
Manchester
M2 3DL

Ref:MC/MA/H&R JOHNSON LEGAL

Time critical reference

For official Use
Mortgage Section

Post room



A21
COMPANIES HOUSE

0276
22/12/03

See Annexure 2.

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bold block
lettering

Particulars as to commission allowance or discount (note 3)

Nil.

Signed

DLA

Date

22 December 2003

On behalf of [~~company~~] [~~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

H & R JOHNSON TILES LIMITED

Annexure 1 to Form M395

In this Form 395 (1) terms defined in or construed for the purposes of the Facilities Agreement (as defined below) have the same meaning when used herein, unless they are otherwise defined below and (2) the following terms have the following meanings:

"Facilities Agreement" means the facilities agreement dated 17 December 2003 and made between, inter alia, (1) H & R Johnson Tiles Limited, (2) the Original Borrowers, (3) the Original Guarantors, (4) the Joint Mandated Lead Arrangers, (5) the Original Lenders, (6) the Agent and (7) the Security Trustee pursuant to which the Original Lender agreed to make certain facilities available to the Company;

"Property" means the property, details of which are set out in Annexure 3;

"Security Asset" means all property and assets from time to time charged or assigned (or expressed to be charged or assigned) by, or pursuant to, the Charge; and

"Security Beneficiaries" has the meaning given to that term in the Intercreditor Deed.

H & R JOHNSON TILES LIMITED

Annexure 2 to Form M395

- 1 The Company charges and agrees to charge by way of first legal mortgage all the present and future right, title and interest of the Company in and to the Property (to the full extent of its interest in the Property or its proceeds of sale).
- 2 Unless expressly permitted to do so under the Facilities Agreement, the Company will not do or agree to do any of the following without the prior written consent of the Security Trustee:
 - (1) create or permit to subsist any Security (other than a Permitted Security) upon any of the Security Assets; or
 - (2) sell, transfer, lease, lend or otherwise dispose of or part with whether by a single transaction or a number of transactions and whether related or not, the whole or any part of its interest in any Security Asset.

Company number: 307859

H & R JOHNSON TILES LIMITED

Annexure 3 to Form M395

Property

All the freehold land at Ravensdale Valley Sports Field, Valley Tile Works, Stoke-on-Trent registered at HM Land Registry with title absolute under title number SF54484.

DLA

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 00307859

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A LEGAL CHARGE DATED THE 17th DECEMBER 2003 AND CREATED BY H & R JOHNSON TILES LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE SECURITY BENEFICIARIES (OR ANY OF THEM) 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 22nd DECEMBER 2003.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24th DECEMBER 2003.

per



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —