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COMPANIES FORM No. 395

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

Name of company

* Applied Chemicals Limited (the "Company")

Date of creation of the charge

28 November 2000

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

Composite Guarantee and Debenture (the "Debenture") between the Company (1), Encoretoday Limited (2), Chemical Express Limited (3), Gramos Surface Treatment Limited (4) and The Royal Bank of Scotland plc (the "Security Trustee") (5).

Amount secured by the mortgage or charge

All moneys, obligations and liabilities from time to time due, owing or incurred by the Company 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 "Secured Documents"), namely:
- (i) a £17,000,000 facilities agreement dated 28 November 2000 and made between Encoretoday Limited, The Royal Bank of Scotland plc as arranger and the Security Trustee (the "Facilities Agreement")

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

The Royal Bank of Scotland plc, 79-83 Colmore Row, Birmingham B3 2AP on behalf of itself and those banks and financial institutions from time to time parties to the Secured Documents.

Postcode

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

Norton Rose
Kempson House
Camomile Street
London
EC3A 7AN

JPR/119/AA05872

Time critical reference

For official Use
Mortgage Section

Post room



LD7
COMPANIES HOUSE

0041
08/12/00

- (ii) an ancillary facilities letter dated 28 November and made between The Royal Bank of Scotland plc as ancillary facilities bank and Encoretoday Limited (the "Ancillary Facilities Letter");
- (iii) any documents evidencing any interest rate hedging and/or foreign exchange transactions entered into pursuant to the Facilities Agreement or the Ancillary Facilities Letter;
- (iv) the agreed form deed of pledge to be entered into by Encoretoday Limited in favour of the Security Trustee in respect of the entire issued share capital of Applied Chemicals Netherlands B.V.;
- (v) such mortgages, charges, pledges, negative pledges, guarantees and other instruments from time to time entered into by way of guarantee, other assurance and/or security in respect of amounts owed pursuant to the Facilities Agreement (whether or not also in respect of other indebtedness);
- (vi) a deed of legal mortgage supplemental to the Debenture to be granted in favour of the Security Trustee pursuant to which a charge by way of first legal mortgage over a relevant property is created in favour of the Security Trustee in accordance with clause 3.10.3 of the Debenture;
- (vii) a subordination deed dated 28 November 2000 and made between Encoretoday Limited and the Security Trustee among others;
- (viii) the guarantees and indemnities given by the Company under the Debenture, which secure all the obligations under the Secured Documents of each of Encoretoday Limited, Chemical Express Limited, Gramos Surface Treatment Limited and each other subsidiary of the Company which becomes a party to the Debenture; and
- (ix) all other provisions of the Debenture.

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) debts and claims;
 - (e) the proceeds of collection of debts and claims and credit balances at banks;
 - (f) the benefit of insurances;
 - (g) goodwill and uncalled capital;
 - (h) intellectual property of all kinds,in each case, together with all associated rights.
3. It also creates a first fixed charge over all of the Company's rights titles, benefits and interests whatsoever in or relating to:

Please do not
write in
this margin

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

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Norton Rose

Date

8 December 2000

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

- (a) the agreement for the purchase of shares of the Company dated 28 November 2000 made between (amongst others) the vendors of the Company and Encoretoday Limited together with all documents delivered pursuant to such agreement;
 - (b) the agreement for the purchase of shares in the Socius Group Limited dated 28 November 2000 made between (amongst others) the vendors of Socius Group Limited and Encoretoday Limited together with all documents delivered pursuant to such agreement;
 - (c) the disclosure letter addressed to Encoretoday Limited dated 29 November 2000 and made by (amongst others) the Company;
 - (d) the disclosure letter addressed to Encoretoday Limited dated 28 November 2000 and made by (amongst others) Socius Group Limited;
 - (e) the agreed form accountant's report dated 28 November 2000 compiled by Rees Pollock and addressed to (amongst others) Encoretoday Limited and the Security Trustee in respect of Applied Chemicals Limited and Socius Group Limited;
 - (f) the agreed form business plans for each of "Applied Europe", "Chemex International", "Countdown Clean Systems", "Gramos Surface Treatment" and the "Project Victoria Synergies & Exceptionals";
 - (g) the agreed form environmental reports prepared by Technotrade Limited and Parsons Brinckerhoff addressed to (amongst others) Encoretoday Limited and the Security Trustee;
 - (h) the agreed form insurance due diligence report prepared by SBJ Select and addressed to (amongst others) Encoretoday Limited and the Security Trustee;
 - (i) the legal due diligence report dated 27 November 2000 compiled by SJ Berwin & Co in respect of the Company and Socius Group Limited and addressed to (amongst others) Encoretoday Limited and the Security Trustee;
 - (j) the agreed form market report prepared by AMR International Limited in respect of the Company and Socius Group Limited and addressed to (amongst others) Encoretoday Limited and the Security Trustee; and
- it also creates an assignment by way of security over:
- (k) keyman insurance policies on the lives of Roger Wild and the individual to be appointed as finance director of Encoretoday Limited.

4. It also creates a first floating charge over all other present and future assets of the Company.
5. The Debenture contains a covenant by the Company that it will not, without the prior written consent of the Security Trustee:
 - (a) create or attempt to create or permit or subsist in favour of any person other than the Security Trustee any mortgage, charge (whether fixed or floating), pledge or lien or other security interest of any kind or any other type of preferential arrangement over any of its present or future assets (except for certain specific limited kinds of interest which are specifically permitted by the express terms of the Secured Documents or the Debenture).
 - (b) dispose or attempt or agree to dispose of (i) any debts or claims owed to it or (ii) any other assets except, in the case of such other assets as are charged by way of floating charge only, in the ordinary course of business.
6. 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 5(a) 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.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 00473219

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT COMPOSITE GUARANTEE AND DEBENTURE DATED THE 28th NOVEMBER 2000 AND CREATED BY APPLIED CHEMICALS LIMITED FOR SECURING ALL MONIES OBLIGATIONS AND LIABILITIES DUE OR TO BECOME DUE FROM THE COMPANY TO ROYAL BANK OF SCOTLAND PLC ON BEHALF OF ITSELF AND THOSE BANKS AND FINANCIAL INSTITUTIONS FROM TIME TO TIME PARTIES TO THE SECURED DOCUMENTS UNDER OR PURSUANT TO THE SECURED DOCUMENTS (AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 8th DECEMBER 2000.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 12th DECEMBER 2000.

LC -
JR



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



C O M P A N I E S H O U S E