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in black type, or
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*insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

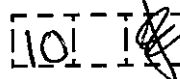
395

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number



02418504

Name of company

* Paine Webber International (UK) Ltd (the "Pledgor")

Date of creation of the charge

27 May 1998

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

Declaration of Pledge of Securities and Claims to Guarantor by the
Pledgor accepted by Cedel Bank on behalf of the Guarantor

Amount secured by the mortgage or charge

All present and future obligations of the Pledgor to the Guarantor
arising from its guarantee of the Pledgor's borrowings of securities
arranged under the Cedel Securities Lending and Borrowing Rules and
Regulations of March 1997 as amended from time to time (the "Rules").

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

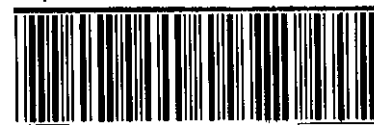
The Guarantor: see continuation sheet no. 1 page 3

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

Clifford Chance
200 Aldersgate Street
London
EC1A 4JJ

For official use
Mortgage Section

Post room



KLO *KZRUV73B* 2736
COMPANIES HOUSE 16/06/98

Time critical reference

DJF/ASH/C1960/1837/PAP

Short particulars of all the property mortgaged or charged

(i) All present and future securities, bonds, notes, certificates of deposit, instruments or rights representing property rights or claims (including a right not represented by a writing) as well as all other debentures which may be pledged in the same form as securities according to Luxembourg law ("Securities") or financial instruments, other property (including any substitutions and additions thereto) or any combination thereof and all claims of the Pledgor with respect to its Securities accounts, at the date of the Pledge or in the future, whether at Cedel Bank's premises or at any other location, as shall be communicated by Cedel Bank from time to time, which are held by the Pledgor (or on behalf of the Pledgor) in the Cedel bank system and which are from time to time blocked in the Pledgor's account(s) with Cedel Bank by Cedel Bank for the benefit of the Guarantor; and

(ii) the balance from time to time of the cash account(s) denominated in any and all currencies (including compound currency units) of the Pledgor with Cedel Bank.

Note: Pursuant to Article 3.5 of the Rules, the Pledgor has represented and warranted that it will keep the property described above free and clear of any claims, mortgages, pledges, liens or other encumbrances of any nature whatsoever.

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Particulars as to commission allowance or discount (note 3)

None

Signed

Clifford Chance

Date

16-June 1998

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 (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.

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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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bold block lettering

Company Number

02418504

Name of Company

Paine Webber International (UK) Ltd (the "Pledgor")

~~limited~~*

* delete if
inappropriate

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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The Guarantor means a syndicate of banks whose lead bank is Citibank N.A. Brussels Branch, 263g Blvd Generale Jacques, 1050 Brussels, and whose members include:

Citibank N.A.
Brussels
(address as above)

Banque Bruxelles Lambert S.A.
24, avenue Marnix
1050 Brussels
Belgium

Banque Generale du Luxembourg S.A.
20, avenue Kennedy
L-2941 Luxembourg

Banque Internationale a Luxembourg S.A.
Plateau Marie
Route d'Esch, 69
L-2953 Luxembourg

Credit Commercial de France
103, avenue des Champs Elysees
F-75008 Paris
France

Kredietbank N.V.
Arenbergstraat 7
1000 Brussels
Belgium

Kredietbank S.A. Luxemburgeoise
43, boulevard Royal
L-2955 Luxembourg

Union Bank of Switzerland
45, Bahnhofstrasse
CH-8021 Zurich
Switzerland

The composition of the syndicate may periodically change and the term Guarantor refers to the syndicate of banks from time to time.

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APPENDIX 1

DECLARATION OF PLEDGE OF SECURITIES AND CLAIMS TO GUARANTOR



We refer to the Cedel Securities Lending and Borrowing Rules and Regulations of March 1997 (the "Rules") which we hereby agree to and accept in respect of our account nr. 80578 for securities and our account nr. 80578 for cash with Cedel Bank.

In accordance with the Rules, we hereby pledge in favour of the Guarantor, as defined therein, such Securities and Cash balances as shall be Collateral from time to time pursuant to Clause 1 and Clause 3.5 of the Rules which we hold now or from time to time in the future with Cedel Bank in order to secure all our present and future obligation towards the Guarantor arising from its guaranteeing our borrowings of Securities arranged under the Rules.

We shall be responsible for all legal costs in perfecting and realising this pledge. Perfecting this pledge may, depending on our location, the location of our assets and/or the jurisdiction under which we are incorporated, require filing or registration in various forms with the Courts or other authorities in such location and/or jurisdiction. Cedel, the Guarantor and any agent on behalf of the Guarantor or any member of the Guarantor syndicate are hereby authorised and instructed to undertake such procedures of perfection.

Terms used in this Declaration shall have the same meaning as they have in the Rules.

This Declaration of Pledge shall be governed by the laws of Luxembourg and be subject to the jurisdiction of the Courts of Luxembourg, Grand-Duchy of Luxembourg.

For and on behalf of PaineWebber International (UK) Ltd. Date: 27/5/98

A handwritten signature in dark ink, appearing to be "S. Drury", written over a horizontal line.

Cedel Bank as Depository of the Securities and Cash pledged pursuant to the above hereby declares itself notified of, and behalf of the Guarantor, accepts such pledge.

For and on behalf of Cedel Bank

A handwritten signature in dark ink, appearing to be "D. Reeve", written over a horizontal line.

D. Reeve
Director Operations

A handwritten signature in dark ink, appearing to be "D. Graham", written over a horizontal line.

D. Graham
Senior Manager Credit

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 02418504

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DECLARATION OF PLEDGE OF SECURITIES AND CLAIMS DATED THE 27th MAY 1998 AND CREATED BY PAINWEBBER INTERNATIONAL (U.K.) LTD. FOR SECURING ALL PRESENT AND FUTURE OBLIGATIONS OF THE PLEDGOR TO THE GUARANTOR (A SYNDICATE OF BANKS WHOSE LEAD BANK IS CITIBANK N.A. AND WHOSE MEMBERS AS AT THE DATE OF THIS CERTIFICATE INCLUDE: BANQUE BRUXELLES LAMBERT S.A., BANQUE GENERALE DUE LUXEMBOURG S.A., BANQUE INTERNATIONALE A LUXEMBOURG S.A., CREDIT COMMERCIAL DE FRANCE, KREDIETBANK N.V., KREDIETBANK S.A. LUXEMBURGEOISE UNION BANK OF SWITZERLAND AND WHOSE COMPOSITION MAY PERIODICALLY CHANGE) ARISING FROM ITS GUARANTEE OF THE PLEDGOR'S BORROWINGS OF THE SECURITIES ARRANGED UNDER THE CEDEL SECURITIES LENDING AND BORROWING RULES AND REGULATIONS OF MARCH 1997 AS AMENDED FROM TIME TO TIME (THE RULES) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 16th JUNE 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 18th JUNE 1998.

A handwritten signature in dark ink, appearing to read 'J. M. Evans'.

J. M. EVANS

for the Registrar of Companies

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