

Short particulars of all the property mortgaged or charged

Please see continuation sheet.

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)

Signed

Allen & Overy

Date

4th April 2001

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)

Notes

† delete as
appropriate

- 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

SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED:

1. Security

The Chargor creates the following security in favour of the Bank, as security for the payment of all the Secured Liabilities.

1.1 Investments

The Chargor secures:

- (a) by way of a first legal mortgage all shares in any member of the Group (other than the Chargor) owned by it or held by any nominee on its behalf; and
- (b) (to the extent that they are not the subject of a mortgage under sub-paragraph (a) above) by way of a first fixed charge its interest in all Investments.

1.2 Plant and machinery

The Chargor secures by way of a first fixed charge all plant and machinery owned by the Chargor and its interest in any plant or machinery in its possession.

1.3 Credit balances

The Chargor secures by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any account (including any account contemplated by the Security Agreement) it has with any person and the debt represented by it.

1.4 Book debts etc.

The Chargor secures by way of a first fixed charge:

- (a) all of its book and other debts;
- (b) all other moneys due and owing to it; and
- (c) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under paragraph (a) or (b) above.

1.5 Insurances

The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest.

1.6 Other contracts

The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of:

- (a) any agreement to which it is a party except to the extent that it is subject to any fixed security created under any other term of this paragraph 1.

- (b) any letter of credit issued in its favour; and
- (c) any bill of exchange or other negotiable instrument held by it.

1.7 Intellectual property

The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of:

- (a) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right;
- (b) any copyright or other intellectual property monopoly right; or
- (c) any interest (including by way of licence) in any of the above,

in each case whether registered or not and including all applications for the same.

1.8 Miscellaneous

The Chargor secures by way of first fixed charge:

- (a) any beneficial interest, claim or entitlement it has in any pension fund;
- (b) its goodwill;
- (c) the benefit of any authorization (statutory or otherwise) held in connection with its use of any Security Asset;
- (d) the right to recover and receive compensation which may be payable to it in respect of any authorization referred to in paragraph (c) above; and
- (e) its uncalled capital.

1.9 Floating charge

The Chargor secures by way of a first floating charge all its assets not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under this paragraph 1.

2. Restrictions on Dealings

The Chargor must not, unless expressly allowed under the Credit Agreement:

- (a) create or permit to subsist any Security Interest on any Security Asset; or
- (b) sell, transfer, licence, lease or otherwise dispose of any Security Asset, except for the disposal in the ordinary course of trade of any Security Asset subject to the floating charge created under paragraph 1.9 above (Floating charge).

In this form 395:

A Loan Document or another document is a reference to that Loan Document or other document as amended, novated or supplemented.

"Assignment and Acceptance"

has the meaning given to that term to it in Section 11.6(b) of the Credit Agreement.

"Bankers' Acceptance"

means a bill of exchange as described in Section 2.3 of the Credit Agreement.

"Bankers' Acceptance Notices"

has the meaning given to that term in Section 2.3(a) of the Credit Agreement.

"Canadian Letters of Credit"

has the meaning given to that term in Section 2.2 of the Credit Agreement.

"Credit Agreement"

means the credit agreement dated 16th March, 2001 between (among others) Axsia Group Limited, the Bank, NATCO Group Inc., NATCO Canada Ltd, The Chase Manhattan Bank and various lenders defined therein.

"Group"

means Starfish Acquisition Limited and its Subsidiaries.

"Investments"

means (a) the Shares, (b) all other shares, stocks, debentures, bonds or other securities and investments included in the definition of Security Assets, (c) any dividend or interest paid or payable in relation to any of the above and (d) any right, money or property accruing or offered at any time in relation to any of the above by way of redemption, substitution, exchange, bonus or preference under option rights or otherwise.

"Issuer"

means the issuer (or, where applicable, each issuer) of a Letter of Credit under the Credit Agreement.

"Letters of Credit"

means the US Letters of Credit, the Canadian Letters of Credit and the UK Letters of Credit.

"Letter of Credit Liabilities"

means, at any time and in respect of any Letter of Credit, the sum of (i) the amount available for drawings under such Letter of Credit plus (ii) the aggregate unpaid amount of all Reimbursement Obligations at the time due and payable in respect of previous drawings made under such Letter of Credit.

"Loan Documents"

means, collectively, the Credit Agreement, the Notes, the Bankers' Acceptances, the Bankers' Acceptance Notices, the Guaranties (as defined in the Credit Agreement), the Contribution Agreements (as defined in the Credit Agreement), all Applications (as defined in the Credit Agreement), the Security Documents (as defined in the Credit Agreement), the Notice of Entire Agreement (as defined in the Credit Agreement), all instruments, certificates and agreements now or hereafter executed or delivered by any Obligor (as defined in the Credit Agreement) to any Agent (as defined in the Credit Agreement) or any Lender (as defined in the Credit Agreement) pursuant to any of the foregoing or in connection with the Obligations (as defined in the Credit Agreement) or any commitment regarding the Obligations (as defined in the Credit Agreement), and all amendments, modifications, renewals, extensions, increases and rearrangements of, and substitutions for, any of the foregoing.

"Notes"

have the meaning assigned to such term in Section 2.7 of the Credit Agreement.

"Reimbursement Obligations"

means, as at any date, (i) the obligations of any Borrower (as defined in the Credit Agreement) then outstanding, or which may thereafter arise, in respect of Letters of Credit under the Credit Agreement, to reimburse the applicable Issuers for the amount paid by such Issuers in respect of any drawing under such Letters of Credit and (ii) the obligations of the Canadian Borrower (as defined in the Credit Agreement) then outstanding, or which may thereafter arise, in respect of any Bankers' Acceptance purchased by any Canadian Lender (as defined in the Credit Agreement) or paid by it on maturity thereof.

"Security Assets"

means all assets of the Chargor the subject of any security created by the Security Agreement.

"Security Interest"

means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security.

"Shares"

means any shares, stocks, debentures, bonds or other securities and investments in Axsia Serck Baker Limited and Axsia Howmar Limited.

"Subsidiary"

means, as to a particular parent company, any entity of which more than 50% of the indicia of equity rights (whether outstanding capital stock or otherwise) is at the time directly or indirectly owned by, such parent company.

"UK Borrower"

means, Axsia Group Limited.

"UK Commitment"

means, as to any UK Lender, the obligation, if any, of such UK Lender to make UK Revolving Loans, incur or participate in Letter of Credit Liabilities relating to UK Letters of Credit in an aggregate principal amount at any one time outstanding up to (but not exceeding) the amount, if any, set forth opposite such UK Lender's name on the signature pages of the Credit Agreement under the caption "UK Commitment", or otherwise provided for in an Assignment and Acceptance (as the same may be increased or reduced from time to time pursuant to Section 2.4 of the Credit Agreement).

"UK Lender"

means a lender party to the Credit Agreement with any UK Commitment or any outstanding UK Obligations.

"UK Obligations"

means, as at any date of determination thereof, the sum of the following (determined without duplication): (i) the aggregate principal amount of UK Revolving Loans outstanding hereunder on such date, plus (ii) the aggregate amount of Letter of Credit Liabilities outstanding on such date relating to UK Letters of Credit.

"UK Revolving Loan"

means any revolving credit loan made pursuant to Section 2.1(c) of the Credit Agreement.

"UK Letters of Credit"

means letters of credit issued at the request of the UK Borrower pursuant to Section 2.2 of the Credit Agreement.

"US Letters of Credit"

has the meaning given to that term in Section 2.2 of the Credit Agreement.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03047122

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SECURITY AGREEMENT DATED THE 16th MARCH 2001 AND CREATED BY AXSIA LIMITED FOR SECURING ALL PRESENT AND FUTURE OBLIGATIONS AND LIABILITIES (WHETHER ACTUAL OR CONTINGENT AND WHETHER OWED JOINTLY OR SEVERALLY OR IN ANY OTHER CAPACITY WHATSOEVER) OF THE COMPANY TO ANY UK LENDER UNDER EACH LOAN DOCUMENT (ALL TERMS AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 4th APRIL 2001.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 7th APRIL 2001.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —