

**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

4139214

Name of company

\* Mattersons Limited (the "Company")

Date of creation of the charge

13 January 2003

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

Legal Assignment of Insurance Policies (the "Assignment")

Amount secured by the mortgage or charge

The Company covenants that it will on demand pay to the Bank all moneys and discharge all obligations and liabilities due, owing or incurred by it to the Bank when the same become due for payment or discharge whether by acceleration or otherwise, and whether such moneys, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to the Bank or purchased or otherwise acquired by it; denominated in sterling or in any other currency; or incurred on any banking account or in any other manner whatsoever.

The liabilities referred to above shall, without limitation, include:

(a) all liabilities under or in connection with foreign exchange transactions, interest rate swaps and other arrangements entered into for the purpose of limiting exposure to fluctuations in interest or exchange rates;

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

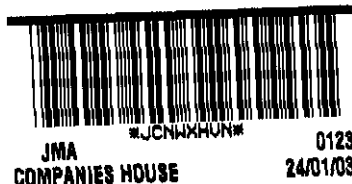
HSBC Bank PLC (the "Bank")  
Poultry  
London

Postcode EC2P 2BX

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

Addleshaw Booth & Co  
100 Barbirolli Square  
Manchester  
M2 3AB  
Ref: MOS/EXD/exd0d/sqk001

For official Use  
Mortgage Section



Time critical reference

The Company assigns by way of security to the Bank and with full title guarantee subject to Permitted Encumbrances (but subject to redemption and/or reassignment upon payment of all moneys and the discharge of all obligations and liabilities covenanted to be paid or otherwise secured):

First all the rights, titles, benefits and interests of the Company whatsoever present and future whether proprietary, contractual or otherwise under or arising out of or evidenced by the documents particulars whereof are specified in schedule 2 of the Assignment as from time to time varied, extended or replaced with the full benefit of all negotiable or non-negotiable instruments, guarantees, indemnities, debentures, mortgages, charges, liens and other security in respect of the same (all such documents and security being collectively the "**Assigned Documents**" which expression includes each and every of the same) including, but not limited to, all claims for damages or other remedies in respect of any breach thereof; and

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

Adrishan Borth & Co

Date

24 January 2003

On behalf of ~~XXXXXX~~ [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 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

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## Particulars of a mortgage or charge (continued)

Please do not  
write in this  
binding margin

Continuation sheet No \_\_\_\_\_  
to Form No 395 and 410 (Scot)

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

Company Number

4139214

Name of Company

Mattersons Limited (the "Company")

Limited\*

\* delete if  
inappropriate

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

- (b) all liabilities arising from the issue, acceptance, endorsement, confirmation or discount of any negotiable or non-negotiable instruments, documentary or other credits, bonds, guarantees, indemnities or other instruments of any kind; and
- (c) interest (both before and after judgment) to date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees and other charges and all legal and other costs, charges and expenses (save as specifically agreed in writing by the Bank to the contrary) on a full and unqualified indemnity basis which may be incurred by the Bank in relation to any such moneys, obligations or liabilities or generally in respect of the Company.

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

Please complete  
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bold block lettering

Secondly all book and other debts, revenues and claims both present and future (including things in action) which may give rise to a debt, revenue or claim due or owing or which may become due or owing to the Company under or by virtue of the Assigned Documents or in connection with the rights of the Company evidenced thereby whether in respect of the purchase consideration, debts or other liabilities assumed by the purchaser or otherwise howsoever (including all claims against insurers) and the present and future rights, titles, benefits and interests of the Company to or in the same together with all rights and remedies relating to or for enforcing the Assigned Documents in the name of the Company or otherwise including, but not limited to, all reservation of proprietary rights, rights of tracing and all other rights and remedies of whatsoever nature now or hereafter held by the Company in respect of all or any of the foregoing and all moneys from time to time becoming due or owing thereunder or in connection therewith but so that the Bank shall not in any circumstances incur any liability whatsoever save for negligence or wilful default in respect of any of the foregoing.

The Company covenants with the Bank that during the continuance of this security it will at all times:

(i) not vary, extend, release, determine or rescind any of the Assigned Documents or grant time for payment or indulgence or compound with, discharge, waive, release, set off or vary the liability of any other person thereunder or consent to any act or omission as would otherwise constitute a breach or concur in accepting or varying any compromise, arrangement or settlement relating thereto or do or suffer any act or thing or permit any set off whereby the recovery of any moneys payable may be delayed or impeded;

(ii) save for any encumbrance permitted by the Assignment, not (without the prior written consent of the Bank) create or attempt to create or permit to subsist any mortgage, charge, pledge, lien or encumbrance on or over the Assigned Documents or the debts, revenues, claims, assets, rights, remedies, benefits and interests hereby assigned both present and future (together the "Assigned Assets") or any part thereof or interest therein or sell assign discount factor or otherwise dispose of any of the same or attempt or agree so to do;

(iii) not do or cause or knowingly permit to be done anything within its control which would reasonably be expected to in any way depreciate, jeopardise or otherwise prejudice the value of the rights of the Bank hereunder:

**"Encumbrance"** means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, trust arrangement in the nature of security, security interest or other encumbrance of any kind securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and/or retention arrangements) having a similar effect;

**"Existing Security Documents"** means all subsisting Security Documents granted by the members of the Group in favour of the Bank prior to 15 January 2001 brief particulars of which are set out in part 1 of schedule 6 of the Facility Agreement;

**"Facilities"** means the Term Loan Facility and the Revolving Credit Facility made available by the Bank to the Company pursuant to the Facility Agreement and each a "Facility";

**"Facility Agreement"** means the Agreement dated 15 January 2001 for Secured Credit Facilities for the Company provided by the Bank;

**"Group"** means the Company and all its Subsidiaries for the time being;

**"Guarantee and Debenture"** means the composite guarantee and debenture entered into by the Company and certain of the Original Charging Subsidiaries in favour of the Bank and dated 9th October 1996;

**"Indebtedness"** means any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent;

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## Particulars of a mortgage or charge (continued)

Please do not  
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Continuation sheet No \_\_\_\_\_  
to Form No 395 and 410 (Scot)

Please complete  
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Company Number

4139214

Name of Company

Mattersons Limited (the "Company")

Limited\*

\* delete if  
inappropriate

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

Amount due or owing on the mortgage or charge (continued)

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binding margin

Please complete  
legibly, preferably  
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bold block lettering



Please do not  
write in this  
binding margin

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

Please complete  
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bold block lettering

**"Inter-Creditor Agreement"** means the subordination undertaking given by XXX to the Bank and the Company in relation to the Steel Supply Agreement;

**"New Security"** means the security brief particulars of which are set out in part 2 of schedule 6 of the Facility Agreement;

**"Original Charging Subsidiaries"** means those members of the Group designated as such in schedule 4 of the Facility Agreement;

**"Permitted Encumbrance"** means an Encumbrance being any of the following, namely:

- (a) title retention arrangements to suppliers of goods (but not to the proceeds of sale thereof) arising in the ordinary course of trading with suppliers of goods (including XXX) to the Company or any of its Subsidiaries or arising under conditional sale or hiring arrangements in respect of goods supplied to the Company or any of its Subsidiaries in the ordinary course of trading;
- (b) liens arising in the ordinary course of trading by operation of law and not by way of contract so long as any amounts in respect of which such liens arise are not overdue for payment;
- (c) which is an Encumbrance (a "substitute security interest") which replaces any Permitted Encumbrance and which secures an amount not exceeding the principal amount secured by such Permitted Encumbrance and in such circumstances when such Permitted Encumbrance will be released as a consequence of such substitute security interest being granted together with any interest accruing on such amounts from the date such substitute security interest is created or arises and any fees or expenses incurred in relation thereto;
- (d) any Encumbrance created by any of the Security Documents;
- (e) any Encumbrance not falling within (a) to (d) (inclusive) above or (f) below over motor vehicles or items of plant and machinery having an individual value of less than £50,000, such Encumbrances taken together having an aggregate maximum value not exceeding £500,000; or
- (f) any Encumbrance to which the Bank consents from time to time in writing;

**"Revolving Credit Facility"** means the facility granted by the Bank to the Company in accordance with clause 2.1(b) of the Facility Agreement;

**"Security Documents"** means (a) the Guarantee and Debenture, (b) the Existing Security Documents, (c) any and all other mortgages, charges, guarantees and other instruments from time to time entered into by way of guarantee of, and/or security for, the Facilities and/or the Working Capital Facilities (whether or not also guaranteeing and/or securing any other Indebtedness and including for the avoidance of doubt the New Security) and (d) the Inter-Creditor Agreement;

**"Steel Supply Agreements"** means the three steel sale, purchase and advance discount agreements dated on or around 9 October 1996 between XXX and the Company in relation to the supply of hollow sections products, structural sections products and other products respectively, including the XXX Standard Conditions to the extent incorporated therein, as such agreements may be amended from time to time in accordance with the terms thereof;

**"Subsidiary"** of a person means (a) a subsidiary within the meaning of section 736 Companies Act 1985 or (b) a subsidiary undertaking within the meaning of section 258 Companies Act 1985;

**"Term Loan Facility"** means the facility made available by the Bank to the Company in accordance with clause 2.1(a) of the Facility Agreement;

**"Working Capital Facilities"** means the overdraft and other facilities provided to the Company and certain other members of the Group by the Bank pursuant to the Working Capital Facility Letter; and

**"Working Capital Facility Letter"** means the agreement constituted by the acceptance by the Company and certain of its Subsidiaries of the Bank's offer letter of even date and any amendment, supplement, variation, substitution, novation, replacement or renewal from time to time thereto or thereof.

**"XXX"** means the steel supplier which is a party to the Steel Supply Agreement.

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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. 04139214

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A LEGAL ASSIGNMENT OF INSURANCE POLICIES DATED THE 13th JANUARY 2003 AND CREATED BY MATTERSONS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO HSBC BANK PLC ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 24th JANUARY 2003.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 3rd FEBRUARY 2003.



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES



*Companies House*  
— for the record —

*P. Parn*