

# M

## COMPANIES FORM No. 403b

### Declaration that part of the property or undertaking charged (a) has been released from the charge; (b) no longer forms part of the company's property or undertaking

# 403b

CHFP025

Please do not write in this margin

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

Pursuant to section 403(1) (b) of the Companies Act 1985

To the Registrar of Companies  
(Address overleaf)

For official use

Company number

15

5369235

Name of company

\*insert full name of company

AVECIA FINE CHEMICALS LIMITED

CON KEMFINE UK LIMITED 19/9/05

†delete as appropriate

‡insert a description of the instrument(s) creating or evidencing the charge, eg 'Mortgage', 'Charge', 'Debenture' etc.

§the date of registration may be confirmed from the certificate

§insert brief details of property or undertaking no longer subject to the charge

I, Derrick Alan Nicholson

of Treelands, 55 Spring Lane, Burn Bridge, Harrogate, HG3 1NP

[a director] [the secretary] [the administrator] [the administrative receiver] of the above company, do

solemnly and sincerely declare that with respect to the charge described below the part of the property or undertaking described [has been released from the charge] ~~has ceased to form part of the company's property or undertaking~~

Date and description of charge ‡ See Rider A

Date of registration § 16/05/2005

Name and address of [chargee] ~~Chase Manhattan International Limited (now JP Morgan Europe Limited) having its registered office at 125 London Wall, London EC2Y 5AJ (as Security Trustee).~~ Chase Manhattan International Limited (now JP Morgan Europe Limited) having its registered office at 125 London Wall, London EC2Y 5AJ (as Security Trustee).

Short particulars of property or undertaking released or no longer part of the company's property or undertaking § See Rider B

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at Hexagon Tower  
Blackley, Manchester

Declarant to sign below

Day Month Year

on 15 09 2005

before me

A Commissioner for Oaths or Notary Public or Justice of the Peace or Solicitor having the powers conferred on a Commissioner for Oaths

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

DICKSON MINTO W.S  
Royal London House  
22-25 Finsbury Square  
London EC2A 1DX  
Tel: 020 7628 4455

REF: AFCL5.1pd

For official use  
Mortgage section

Post room



A10  
COMPANIES HOUSE

0634  
08/10/05



AVECIA FINE CHEMICALS LIMITED RIDER5B

(Registered Number 5369235)

FORM 403a

RIDER B

SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED.

1. The Debenture charges all of the present and future assets of Avecia Limited.
2. It creates first fixed charges over all of the present and future assets of Avecia Limited 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) contracts, debts and claims and their proceeds of collection and credit balances at banks;
  - (e) any and all amounts arising from any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment by way of security, trust arrangement for the purpose of providing security or other security interest of any kind securing any obligation of any person or any other arrangement having the effect of conferring rights of set-off, lien or other like rights over an asset (including without limitation title transfer and/or retention arrangements having a similar effect and not entered into in the ordinary course of trading) and includes any agreement to create any of the foregoing but does not include liens or rights of set-off arising in the ordinary course of trading by operation of law (or by contract to substantially the same effect) (an "Encumbrance") and collateral instruments containing or evidencing an obligation (with or without security) to pay, discharge or be responsible directly or indirectly for any liabilities of any person and includes any document creating or evidencing an Encumbrance (the "Debts");
  - (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 floating charge over all other present and future assets of Avecia Limited (the "Floating Charge Assets").
4. The Debenture contains a covenant by Avecia Limited that it will not, without the prior written consent of the Security Agent:

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- (a) dispose of, or create or attempt to create or permit to subsist or arise any Encumbrance (other than one permitted under the Facilities Agreement) on or over, the Debts or any part thereof or release, set of or compound or deal with the same otherwise than in accordance with the Debenture and/or the Facilities Agreement;
- (b) create or attempt to create or permit to subsist in favour of any person other than the Security Trustee and Encumbrance (except one permitted under the Facilities Agreement) on or affecting the assets described in clauses 1, 2 and 3 above (the "Charged Assets"); or
- (c) dispose of the Charged Assets or any part thereof or attempt or agree so to do except (i) the Floating Charge Assets which may be disposed of in the ordinary course of business, (ii) disposal expressly permitted by the terms of the Facilities Agreement and Debts, which may be dealt with in accordance with the terms of the Debenture and/or as permitted by the Facilities Agreement.

If Avecia Limited 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 4 above or if any person levies or attempts to levy any form of execution or process in respect of any such assets, the floating charge of the assets concerned will automatically be converted into a fixed charge.

*Note:* The property acquired from Avecia Limited by the Company which is subject to the Debenture is as follows:

The Assets (together with all rights and obligations attaching thereto at the Effective Time) excluding the Excluded Assets (as such terms are defined in the Sale and Purchase Agreement dated 28 April 2005 between Avecia Limited and the Company).

For the meaning of "Assets" please see the extract below.

**Extract from the aforementioned Sale and Purchase  
Agreement dated 28 April 2005 between  
Avecia Limited and the Company**

- (1) **AVECIA LIMITED**, a company incorporated in England and Wales (registered number 3730853) and having its registered office at Hexagon House, Blackley, Manchester M9 8ZS (the "**Vendor**"); and
- (2) **AVECIA FINE CHEMICALS LIMITED** a company incorporated in England and Wales (registered number 5369235) and having its registered office at Hexagon Tower, Blackley, Manchester, M9 8ZS; (the "**Purchaser**").

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"Assets" means the Vendor's interest as at the Effective Time in the following assets:

- (i) the Plant and Equipment;
- (ii) the Stock;
- (iii) the Debtors;
- (iv) the Property;
- (v) the Goodwill;
- (vi) the benefit (subject to the burden) of the Contracts;
- (vii) the Books and Records;
- (viii) the Business IP; and
- (ix) any other assets owned by the Vendor and used exclusively in the Business,

but, in each case, not including any Excluded Assets;

"Books and Records" means originals or, where the Vendor is required by law to retain originals or does not have originals, copies of:

- (i) employment and payroll records relating to the Employees;
- (ii) any documents of title to any Assets and any registration and inspection documents relating to the Plant and Equipment;
- (iii) the Contracts;
- (iv) fixed asset and stock ledgers of the Business as at the Effective Time; and
- (v) customer and supplier lists of the Business as at the Effective Time;

"Business" means the business of:

- (i) toll manufacturing, packing and selling hexamethylene-1.6-bis dicyandiamide (HMBDA); polyhexamethylene biguanide (PHMB); Solsperse® 12000; Solsperse® 5000; intermediates for emetics used in agrochemical products; agrochemical intermediates and agrochemical actives other than peptides, proteins, oligonucleotides and vaccines; and pharmaceutical intermediates other than peptides, proteins oligonucleotides and vaccines; in each case using technology provided wholly or mainly by the customers for such products;
- (ii) licensing-out technology for the microbiological manufacture of L-2-chloropropionic acid;

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- (iii) licensing-out technology for manufacturing micro organisms suitable for preparing L-2-chloropropionic acid;
- (iv) distributing, packing, marketing and/or selling micro organisms suitable for the microbiological manufacture of L-2-chloropropionic acid; and
- (v) the treatment and disposal of third party effluent at the Property,

as carried out by the Vendor prior to the Completion Date but excluding the business of distributing, packing, marketing and/or selling *lactobacillus plantarum*;

"**Business IP**" means the Vendor's interest at the Effective Time in any Intellectual Property that was immediately prior to the Completion Date used by the Vendor exclusively in connection with the Business including but not limited to the registered Intellectual Property described in the IPR Assignments;

"**Cash**" means the cash owned by or held to the order of the Vendor (including cash credited to an account with a financial institution and unpresented cheques drawn in favour of a member of the Vendor's Group) as at the Effective Time;

"**Completion Date**" means 1 May 2005;

"**Contracts**" means the contracts entered into by the Vendor with any customers, suppliers and/or any other parties in connection with the Business including but not limited to those contracts to be identified by the parties in accordance with Clause 7.1;

"**Debtors**" means the Vendor's right as at the Effective Time to (i) collect and retain (to the extent not collected or otherwise discharged by that time) all sums invoiced by the Vendor to third parties (including other members of the Vendor's Group) in respect of the Business and (ii) invoice for uninvoiced work carried out under any contracts between the Vendor and customers of the Business;

"**Effective Time**" means 00.01 hours on 1 May 2005;

"**Employees**" means the persons employed by the Vendor in carrying out the Business as at the Effective Time;

"**Excluded Assets**" means:

- (i) Cash;
- (ii) any amounts receivable relating to Tax;
- (iii) shares or securities in any company;
- (iv) the benefit of and any sums received or receivable under any insurance policy entered into by any member of the Vendor's Group;
- (v) any Intellectual Property other than the Business IP; and

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(vi) any other asset of the Vendor not exclusively used in the conduct of the Business;

**"Goodwill"** means the goodwill of the Vendor as at the Effective Time in relation to the Business together with the right of the Purchaser to represent itself as carrying on the Business in succession to the Vendor;

**"Grangemouth Leased Property"** means those parts of the Property which are subject to the leases described in Part II and the sub-leases described in Part III of Schedule 2;

**"Group Undertakings"** means, in respect of a company, any holding company of the company and any direct or indirect subsidiaries of such holding company and/or the company;

**"Intellectual Property"** means patents, trade marks, service marks, trade names, logos and applications and the right to apply for any of the foregoing, copyrights, design rights, topography rights, internet domain names, database rights, utility model rights, rights in the nature of copyright, rights in know how, rights in proprietary and confidential information, rights in inventions and all other industrial, commercial and intellectual property rights whether registered or unregistered having equivalent or similar effect to any of the foregoing arising anywhere in the world;

**"IPR Assignments"** means the deeds of assignment in the Agreed Forms AF1A to AFC, to be entered into between the Vendor and the Purchaser relating to the assignment of the Intellectual Property used by the Vendor exclusively in connection with the Business;

**"Plant and Equipment"** means the Vendor's interest as at the Effective Time in the plant, machinery and equipment (fixed or moveable) used exclusively in the Business;

**"Property"** means the Vendor's interest as at the date of this Agreement in the property described in Part I of Schedule 2 including those parts thereof which are the Grangemouth Leased Properties and subject to any restrictions, charges or other matters affecting the same;

**"Stock"** means the Vendor's interest as at the Effective Time in the stocks of goods, work in progress, raw materials and other consumable items held for use exclusively in the Business;

**"Tax"** means all forms of taxation including corporation tax, advance corporation tax, income tax (including that collected under the PAYE system), value added tax, stamp duty, National Insurance contributions and excise duties but not including business rates and water rates;

**"Vendor's Group"** means the Vendor and each Group Undertaking of the Vendor from time to time.

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**SCHEDULE 2 - PROPERTY****Part I**

The subjects on the north and south of Earls Road, Grangemouth and on the north of Wood Road, Grangemouth registered in the Land Register of Scotland under title number STG29074.

**Part II**

- (i) Leases between the Vendor (as the lessor) and Avecia Pharmaceuticals Limited (as the lessee) dated on or around 28 April 2005 in respect of several parts of the property described in Part I of this Schedule 2 and such parts are described further as:
  - (a) PT Lab 7 (referred to as Area 16A);
  - (b) AD Lab 6 (referred to as Area 17A);
  - (c) North GMP warehouse (referred to as Area 20);
  - (d) 1.3 Amenities Block (referred to as Area 21); and
  - (e) PMF building (referred to as Area 22).
- (ii) Leases between the Vendor (as the lessor) and Avecia Inkjet Limited (as the lessee) dated on or around 28 April 2005 in respect of part of the property described in Part I of this Schedule 2 and such parts are described further as:
  - (a) P1-P2, part of the storage warehouse and roadways (referred to as Area 27);
  - (b) Inkjet Pilot Plant and laboratory (Monastrals) (referred to as Area 28);
  - (c) PT Labs 3 and 5 and two fume cupboards in lab 6 (referred to as Area 26A);
  - (d) Glass Lab in EU plant (referred to as Area 29); and
  - (e) PT Lab 4 (referred to as Area 26B).

**Part III**

- (i) Sub-leases between Avecia Pharmaceuticals Limited (as the sub-lessor) and the Vendor (as the sub-lessee) dated on or around 28 April 2005 in respect of two parts of the property on the north and south of Earls Road, Grangemouth and on the north of Wood Road, Grangemouth registered in the Land Register of Scotland under title



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number STG29074 and such parts are described further as AD lab 6 (referred to as Area 17A) and the DNA labs (referred to as Area 25); and

- (ii) Sub-leases between Avecia Pharmaceuticals Limited (as the sub-lessor) and the Purchaser (as the sub-lessee) dated on or around 28 April 2005 in respect of two parts of the property on the north and south of Earls Road, Grangemouth and on the north of Wood Road, Grangemouth registered in the Land Register of Scotland under title number STG29074 and such parts are described further as the 1.3 storage area (west of PMF and referred to as Area 23) and the 1.3 warehouse (referred to as Area 24).