

COMPANIES FORM No. 403a

**Declaration of satisfaction
in full or in part
of mortgage or charge**

403a

CHFP025

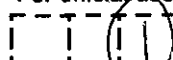
Please do not
write in
this margin

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

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

To the Registrar of Companies
(Address overleaf)

For official use Company number



05370591

Name of company

* Insert full name
of company

*NPIL Pharmaceuticals (UK) Limited

I, David Killworth
of 33 Hough Lane, Ullinslow, Cheshire SK9 2LH

† Delete as
appropriate

As [a director] [the secretary] ~~of the above company~~ of the above company, do

solemnly and sincerely declare that the debt for which the charge described below was given has been

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

As paid or satisfied in (full) ~~(part)~~ ‡

Date and Description of charge ‡ Composite Guarantee and Debenture, 30 June 1999

Date of Registration § 16 May 2005

As Name and address of ~~trustee~~ [trustee for the debenture holders] Chase Manhattan
International Limited (now called J.P. Morgan Europe Limited) of 125
London Wall, London EC2Y 5AU

Short particulars of property charged ¶ Please see attached rider

§ The date of
registration may
be confirmed
from the
certificate

¶ Insert brief
details of
property

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 14 HIGH STREET Declarant to sign below
HUDDESFIELD HD1 2HA

Day Month Year
on 29 03 2005

before me Anthony (A. Whitham)

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

**EASTON SMITH
14 HIGH STREET
HUDDESFIELD
HD1 2HA**

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

Dickson Minto W.S.
Royal London House
22-25 Finsbury Square
London
EC2A 1DX
Ref: NPIL-1.1pd

For official use
Mortgage section

Post room



A01
COMPANIES HOUSE
01/04/2006

NPIL PHARMACEUTICALS (UK) LIMITED - FORM 403A RIDER

(Registered Number 5370591)

**FORM 403A
RIDER**

SHORT PARTICULARS OF PROPERTY 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 PHARMACEUTICALS LIMITED** (*now NPIL Pharmaceuticals (UK) Limited*) a company incorporated in England and Wales (registered number 5370591) and having its registered office at Hexagon Tower, Blackley,

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Manchester, M9 8ZS (*now NPIL Pharma Business Centre, PO Box 521 Leeds Road, Huddersfield, West Yorkshire HD1 9GA*); (the "**Purchaser**").

"**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 Properties;
- (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) providing process development services in relation to pharmaceutical intermediates and pharmaceutical actives;
- (ii) designing, manufacturing, distributing, packing, marketing and/or selling:
 - (a) pharmaceutical intermediates;
 - (b) EnCat™ encapsulated catalysts;

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- (c) QuadraPure™ scavengers (especially palladium and osmium catalysts); and
 - (d) solid supports, including Quadragel™, for use in the synthesis of biotechnology, pharmaceutical and agrochemical intermediates and products but excluding oligonucleotide and peptide synthesis for human and veterinary diagnostic and therapeutic uses (including for pre-clinical and clinical trials for such uses), but excluding the promotion and use of such supports by the Vendor's biotechnology businesses in connection with the development of manufacturing processes or the manufacture of products for customers; and
- (iii) manufacturing, distributing, packing, marketing and/or selling pharmaceutical actives;

(in each case the pharmaceutical intermediates and pharmaceutical actives being other than peptides, proteins, oligonucleotides, vaccines and L-2-chloropropionic acid) as carried out by the Vendor prior to the Completion Date;

"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;

"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;

"Completion Date" means 1 May 2005;

"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;

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

"Grangemouth Leased Properties" means the property in respect of which leases have been granted to the Purchaser as described in Part II of Schedule 2 and including the property in respect of which the Purchaser has granted sub-leases as described in Part III of Schedule 2;

"Group Undertaking" 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 AF1D, 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;

"Properties" means the Vendor's interest as at the date of this Agreement in the properties described in Part I of Schedule 2 including that part of the Specialities West Site which is subject to the underlease between Avecia Limited and Lubrizol Limited dated 30 January 2004 (as amended and subject to any restrictions, charges or other matters affecting the same);

"Specialities West Site" means the property described in Part I(i) of Schedule 2;

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"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 - PROPERTIES

Part I

- (i) Leasehold interest in the land and buildings known as the Specialities West Site, Leeds Road, Huddersfield comprised in the lease between Zeneca Limited and ZSC Specialty Chemicals UK Limited (now called Avecia Limited) dated 30 June 1999 (as amended) and registered at the Land Registry under Title Number WYK650615; and
- (ii) Leasehold interest in the land and buildings lying to the south west of Cowpen Bewley Road, Billingham comprised in the lease between Zeneca Limited and ZSC Specialty Chemicals UK Limited (now called Avecia Limited) dated 30 June 1999 (as amended) and registered at the Land Registry under Title Number CE149888.

Part II

- (i) Leases between the Vendor (as the lessor) and the Purchaser (as the lessee) dated on or around 28 April 2005 in respect of several 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:
 - (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).

Part III

- (i) Sub-leases between the Purchaser (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 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 the Purchaser (as the sub-lessor) and Avecia Fine Chemicals Limited (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

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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).