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CHFP041

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in black type or
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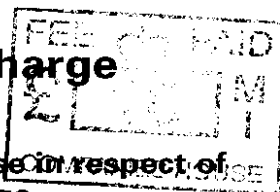
* Insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

Pursuant to section 395 of the Companies Act 1985

**A fee of £10 is payable to Companies House in respect of
each register entry for a mortgage or charge.**



395

RBS 410
008324

To the Registrar of Companies
(Address overleaf - Note 6)

For official use Company number

Name of company



1517971

* ELG Haniel Metals Limited

Date of creation of the charge

23 September 1999

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

Legal Charge

Amount secured by the mortgage or charge

The secured sums by the Charge include any interest due as a consequence of late payment and all sums at any time expended or otherwise incurred by the Chargee (or any receiver appointed by the Chargee) arising from any breach by the Chargor of any of the obligations contained within the Charge or otherwise in the maintenance preservation enforcement of this security, including any fees payable to any receiver and all value added tax and also interest on all such sums together with the further consideration which may become payable to the Chargee calculated under the terms of clause 3 and schedule 2 of a Contract dated 13 August 1999 and made between Richard W Carr & Company Limited(1) David John Stokes and Michael Joseph Moore(2) and ELG Haniel Metals Limited(3) (an extract of which is attached hereto)

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

David John Stokes and Michael Joseph Moore both of 1 East Parade,
Sheffield

Postcode S1 2ET

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

Hartley Linfoot &
Whitlam
Princess House
122 Queen Street S1 2DW
DX 10643 Sheffield 1

For official use
Mortgage section

Post room



Time critical reference

Short particulars of all the property mortgaged or charged

The freehold land and buildings thereon at Wardsend Road, North Sheffield registered under title number SYK397255

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

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

Particulars as to commission allowance or discount (note 3)

Harley J. Lee & Partners

Signed

Date 29 September 1999

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.
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 CF4 3UZ.

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- 3.1.2. the Further Consideration
- 3.2. Further Consideration
- 3.2.1. The Buyer (on behalf of itself and its successors in title and any party deriving an interest in the Property from the Buyer and so as to the extent possible to bind the Property and the owner or occupier for the time being of the Property) covenants with the Seller to pay the Further Consideration in accordance with and at the times specified in the Second Schedule
- 3.2.2. By way of security for the payment of the Further Consideration, the Buyer shall execute and deliver to the Seller on Completion the Legal Charge as a fixed charge on the Property ranking in priority to all other charges over or in respect of the Property
- 3.2.3. If any payment of Further Consideration is not made on the due date, then without prejudice to any other right or remedy which the Seller may have as a result of such non-payment, any such sum shall bear interest (as well after as before any judgment) at the rate of four per cent per annum above National Westminster Bank PLC's Base Lending Rate from time to time such interest to accrue on a daily basis from the date such sum fell due to the date of actual payment and compounded at three monthly rests
- 3.2. The sale excludes all fixtures and fittings at the Property

SECOND SCHEDULE

The Further Consideration

1. INTERPRETATION

1.1. In this Schedule the following words and expressions shall bear the following meanings:-

"Base Value" the sum of NINETY FIVE THOUSAND POUNDS (£95,000.00) PROVIDED that if a Relevant Event shall occur in respect of part only of the Property, the Base Value for the purposes of that Relevant Event shall be calculated as the proportion of the Base Value which the area of the Property affected by the Relevant Event bears to the total area of the Property

"Enhanced Value" means:-

(1) in relation to a sale grant of a lease option or other disposal pursuant to paragraph (1) of the definition of "Relevant Event" the higher of:-

(a) the price paid to the Buyer in respect of such transaction; or

(b) the Open Market Value of the Property or the part of the Property or the right in

respect of the Property which is the
subject of such transaction

- (2) in relation to the grant of planning permission falling within paragraph (2) of the definition of "Relevant Event" the Open Market Value of the Property (or the part of the Property which is the subject of the grant of such planning permission) with the benefit of such Planning Permission on the date upon which such planning permission is granted (and assuming that no objection or challenge or application for judicial review of the grant of planning permission is made or could be made)
- (3) in relation to any development on the Property or any part of the Property falling within paragraph (3) of the definition of "Relevant Event" the Open Market Value of the Property (or the part of the Property so developed) at the date of completion of the development and assuming that the development (if intended for use by the Buyer or its successors in title) is available for

such use or (if the development intended to be let to third parties) is fully let to third parties on commercial terms applicable to a transaction at arm's length

- (4) in relation to a change of use of the Property or part of the Property falling within paragraph (4) of the definition of "Relevant Event" the Open Market Value of the Property (or such part of the Property which is subject to such change of use) with the benefit of such change of use on the date upon which such change of use takes effect

PROVIDED THAT if:

- (a) the Relevant Event affects only part of the Property only that part of the Property so affected shall be taken into account in ascertaining the Enhanced Value
- (b) the Relevant Event incorporates other property not forming part of the Property or if the Property is to be developed with other property as part of

a larger development (either such circumstance being referred to as "Larger Development") the Enhanced Value shall be calculated by valuing the whole of the area of the land subject to the Larger Development on the same principles applicable to the Enhanced Value and then apportioning the value of the Larger Development so that the value of the Property is the same proportion of the overall value of the Larger Development as the area of the Property bears to the areas of the Larger Development

"Intended Use"

use of the Property for any industrial or commercial activity carried out in the normal course of the Buyer's business

"Open Market

Value"

the best price on the appropriate date as specified in the definition of "Enhanced Value" for which the Property (or the relevant part of the Property) might be expected to be sold at in the open market between

a willing seller and a willing buyer such price to be agreed between the parties or determined in accordance with the provisions of paragraph 4 of this Schedule 2

"Perpetuity

Period"

the period of three years commencing on the date of this Agreement

"Planning Acts"

the Town and Country Planning Act 1990 and any Act amending replacing or modifying it for the time being in force and all orders and regulations made thereunder

"Relevant Event"

a Relevant Event shall occur for the purposes of this Agreement whenever and on each occasion when any one or more of the following events shall occur in relation to the Property during the Perpetuity Period:-

- (1) the sale or the grant of a lease or the grant of an option to sell purchase or take a lease or option or the grant of any other right or any other disposal in respect of the Property or any part of the Property or any interest in the Property or any part of the Property
- (2) the grant of planning permission (whether outline or detailed) for the development or

use of the Property or any part of the Property
for a purpose or use other than the Intended
Use

(3) the carrying out on the Property or any part
of the Property of any development (as defined
in the Planning Acts) for a purpose or use other
than the Intended Use

(4) the use of the Property or any part of the
Property other than for the Intended Use

"Use Classes

Order"

the Town and Country Planning (Use Classes) Order
1987 as the same is in force on the date of this
Agreement

2. CALCULATION OF THE FURTHER CONSIDERATION

2.1. The amount of Further Consideration which shall be payable on any Relevant
Event which shall occur during the Perpetuity Period shall be a sum equal to
50% of the amount by which the Enhanced Value exceeds the Base Value but
giving credit against the Further Consideration payable on any such Relevant
Event for any previous payments of Further Consideration made in respect of
any previous Relevant Event or Events

3. PAYMENT OF THE FURTHER CONSIDERATION

- 3.1. Payments in respect of the Further Consideration shall become payable on the date upon which each Relevant Event occurs PROVIDED that if the amount of the Further Consideration payable on any Relevant Event has not been agreed or determined on the date such Relevant Event occurs the amount of Further Consideration so payable shall be increased by a sum equal to interest at the rate of five per cent per annum above the base lending rate of National Westminster Bank plc calculated on a daily basis on the amount of such Further Consideration from the date upon which the Relevant Event occurred to the date upon which the Further Consideration is agreed or determined

4. DETERMINATION OF DISPUTES

- 4.1. If any dispute shall arise between the parties as to the Open Market Value of the Property or any part of the Property on the occurrence of a Relevant Event or any other payment of Further Consideration pursuant to this Schedule the same shall be determined by an independent chartered surveyor ("the Expert") agreed by the parties or in default of agreement nominated on the application of either party by the President for the time being of the Institute of Chartered Surveyors (or any body which succeeds such Institute) such Expert to act as expert not as arbitrator and whose decision (in the absence of manifest error) shall be final and binding on the parties the costs of such Expert being borne by the parties equally unless such Expert shall in his determination direct otherwise

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 01517971

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A LEGAL CHARGE DATED THE 23rd SEPTEMBER 1999 AND CREATED BY E.L.G. HANIEL METALS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO DAVID JOHN STOKES AND MICHAEL JOSEPH MOORE ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 30th SEPTEMBER 1999.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 5th OCTOBER 1999.

*DX
fan*



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



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES