

# G

CHFP025

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## COMPANIES FORM No. 155(6)a

### Declaration in relation to assistance for the acquisition of shares

# 155(6)a

Pursuant to section 155(6) of the Companies Act 1985

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

To the Registrar of Companies  
(Address overleaf - Note 5)

For official use

Company number

|  |  |  |  |
|--|--|--|--|
|  |  |  |  |
|--|--|--|--|

00058810

#### Note

Please read the notes  
on page 3 before  
completing this form.

Name of company

\* J.R. CROMPTON LIMITED (THE "COMPANY")

\* insert full name  
of company

\* We SEE ANNEXURE 1

§ insert name(s) and  
address(es) of all  
the directors

† delete as  
appropriate

~~the sole director~~ [all the directors]† of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever  
is inappropriate

~~(a) that of a recognised bank (licensed institution) within the meaning of the Banking Act 1979~~

~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom~~

(c) something other than the above§

The company is proposing to give financial assistance in connection with the acquisition of shares in the

[company] ~~company's holding company~~ limited†

The assistance is for the purpose of ~~that acquisition~~ [reducing or discharging a liability incurred for the purpose of that acquisition].†

The number and class of the shares acquired or to be acquired is: SEE ANNEXURE 2

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

Dibb Lupton Alsop  
India Buildings  
Water Street  
Liverpool  
L2 0NH

DX: 14103      Liverpool  
JRC BY.1

For official Use  
General Section

Post room



A08  
COMPANIES HOUSE

\*AQJ2NPTQ\*

0015  
20/04/00

The assistance is to be given to: (note 2) CROMPTON SPECIALIST PAPERMAKERS LIMITED  
(COMPANY REGISTRATION NUMBER 03048978) ("CROMPTON") WHOSE REGISTERED OFFICE IS AT  
12TH FLOOR, SUNLIGHT HOUSE, QUAY STREET, MANCHESTER M3 3JZ

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

The assistance will take the form of:

SEE ANNEXURE 3

The person who [has acquired] ~~[will acquire]~~† the shares is:

† delete as  
appropriate

CROMPTON

The principal terms on which the assistance will be given are:

SEE ANNEXURE 4

The amount of cash to be transferred to the person assisted is £ NIL (SEE ANNEXURE 5)

The value of any asset to be transferred to the person assisted is £ NIL (SEE ANNEXURE 5)

The date on which the assistance is to be given is WITHIN 8 WEEKS HEREOF

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

\* delete either (a) or  
(b) as appropriate

~~1/~~ We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) ~~1/~~ We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]\* (note 3)

(b) ~~[It is intended to commence the winding-up of the company within 12 months of that date, and 1/ we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding-up.]~~\* (note 3)

And ~~1/~~ we 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 Manchester

Declarants to sign below

Day Month Year  
on 

|    |    |      |
|----|----|------|
| 15 | 04 | 2000 |
|----|----|------|

before me Caroline R. J.

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

## NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies  
Companies House  
Crown Way  
Cardiff  
CF14 3UZ

or, for companies registered in Scotland:-

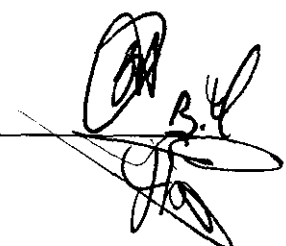
The Registrar of Companies  
37 Castle Terrace  
Edinburgh  
EH1 2EB

**J R CROMPTON LIMITED**

**ANNEXURES TO FORM 155(6)a**

**ANNEXURE 1**

1. Andrew Stephen Dowd  
1 Buttermere Drive  
Great Warford  
Alderley Edge  
CHESHIRE  
SK9 7WA
2. John Thomas Jarvis  
35 Glyndwr Road  
WREXHAM  
LL12 8DG
3. Peter John Ashby  
Hollybank  
20 Chapel Lane  
Wilmslow  
CHESHIRE  
SK9 5HX
4. Brian Tomkinson  
The Barne  
17 Oaks Lane  
Bradshaw  
Bolton  
LANCASHIRE  
BL2 3BR

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**J R CROMPTON LIMITED**

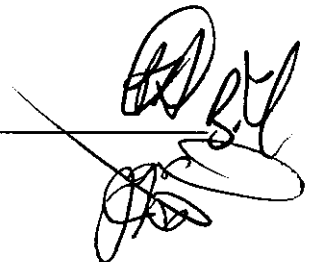
**ANNEXURES TO FORM 155(6)a**

**ANNEXURE 2**

The number and class of shares to be acquired is as follows:-

1. 201,500,000 deferred shares of 10 pence each; and
2. 200,869,590 US \$ share warrants of US\$0.0001 each

(together, the "**Shares**")

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**J R CROMPTON LIMITED**

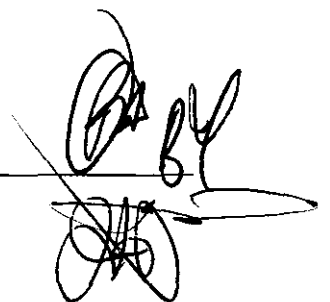
**ANNEXURES TO FORM 155(6)a**

**ANNEXURE 3**

All capitalised terms in this Annexure 3 shall have the meanings given to them in Annexure 6.

The assistance will take the form of the execution and delivery by the Company of the following:-

1. the Facility Agreement;
2. the Overdraft Facility Letter;
3. the Intra-Group Loan Agreement;
4. the Composite Guarantee and Debenture;
5. the Inter-Creditor Deed; and
6. the Loan Note Guarantee

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**J R CROMPTON LIMITED**

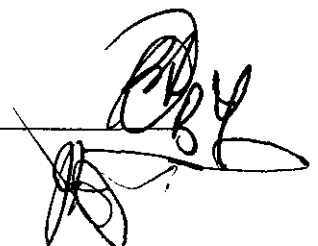
**ANNEXURES TO FORM 155(6)a**

**ANNEXURE 4**

All capitalised terms in this Annexure 4 shall have the meanings given to them in Annexure 6.

The principal terms on which the financial assistance will be given are:-

1. pursuant the terms of the Facility Agreement, the Company will give certain representations, warranties, covenants and indemnities to the Banks to enable the Banks to make the Facilities available under the Facility Agreement and to entitle the Company to borrow under the revolving cash advance facility provided thereunder;
2. pursuant to the terms of the Overdraft Facility Letter the Company will be jointly and severally liable for the obligations of all borrowing companies thereunder (including Broomco) including borrowings incurred in connection with the acquisition of the Shares by Broomco;
3. pursuant to the terms of the Intra-Group Loan Agreement, the Company will agree to make loan facilities available to Broomco in order to enable Broomco to meet its repayment obligations to the Funders, from time to time, including obligations incurred pursuant to the Facility Agreement, the Mezzanine Facility Agreement and the Loan Notes in connection with the acquisition of the Shares by Broomco;
4. pursuant to the terms of the Composite Guarantee and Debenture, the Company will, inter alia, guarantee the payment and discharge of all monies and liabilities now or in the future due, owing or incurred to the Secured Creditors by any of the Borrowers including, without limitation, liabilities incurred pursuant to the Facility Agreement, the Hedging Agreements, the Mezzanine Facility Agreement and the Overdraft Facility Letter in connection with the acquisition of the Shares by Broomco and will charge to the Security Trustee all of its undertaking, property and assets whatsoever and wheresoever, present and future as security

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for the payment and discharge of all monies and liabilities owing by any of the Borrowers under or pursuant to the Finance Documents: and

5. pursuant to the terms of the Loan Note Guarantee, the Company and Crompton will, inter alia, guarantee the payment of monies payable to the Investors under the Loan Notes in connection with the acquisition of the Shares in Crompton by Broomco;
6. pursuant to the Inter-Creditor Deed, the Company will acknowledge the inter-creditor arrangements agreed to between ~~the Funders~~ and will undertake, inter alia, not to make any payments or grant any security or other benefit which would contravene such arrangements.

*inter alios, the "Secured Creditors" and  
the holder(s) of the Ashby Loan Notes*



**J R CROMPTON LIMITED**

**ANNEXURES TO FORM 155(6)a**

**ANNEXURE 5**

All capitalised terms in this Annexure 5 shall have the meanings given to them in Annexure 6.

**AMOUNT OF CASH TRANSFERRED/VALUE OF ASSETS TRANSFERRED**

The directors of the Company, after having studied the terms of the Facility Agreement, the Overdraft Facility Letter, the Intra-Group Loan Agreement, the Composite Guarantee and Debenture, the Inter-Creditor Deed and the Loan Note Guarantee are of the opinion that no provision needs to be made in the accounts of the Company in relation to the proposed financial assistance as set out in the above documents.

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② means the loan stock to be issued by Broomco on completion of the acquisition by Broomco of the Shares pursuant to a cash backed loan note 2000-2008 loan stock instrument;

Company No: 58810

**J R CROMPTON LIMITED**

**ANNEXURES TO FORM 155(6)a**

**ANNEXURE 6**

In this form 155(6)a and all its annexures, the following terms shall have the following meanings:

"Ashby Loan Notes" ②

"**Banks**" means, together, HSBC Investment Bank Plc, HSBC Bank Plc and any bank to which rights and obligations under the Facility Agreement are assigned, novated or otherwise transferred after the date of the Agreement;

"**Borrowers**" means, together Crompton, those companies listed in Schedule 8 to the Facility Agreement (including, for the avoidance of doubt, the Company) and any other group company which accedes to the Facility Agreement;

"**Broomco**" means Broomco (2104) Limited (company number 3945586) whose registered office is at 12th Floor, Sunlight House, Quay Street, Manchester M3 3JZ;

"**Company**" has the meaning ascribed thereto on page 1 of this form 155(6)a;

"**Composite Guarantee and Debenture**" means a composite guarantee and mortgage debenture to be entered into by, inter alia, the Company in favour of the Security Trustee;

"**Facilities**" means a term loan and revolving cash advance facility in the maximum aggregate amount of £42,500,000 to be made available pursuant to the Facility Agreement;

"**Facility Agreement**" means the facility agreement to be entered into between (1) Broomco, (2) the Borrowers, (3) HSBC Investment Bank Plc as arranger (the "**Senior Arranger**"), (4) HSBC Investment Bank Plc as agent (the "**Senior Agent**"), (5) HSBC Investment Bank Plc and HSBC Bank Plc as original lenders and (6) the Security Trustee;

"**Finance Documents**" means, together, the Facility Agreement, the Mezzanine Facility Agreement, the Overdraft Facility Letter and the Composite Guarantee and Debenture;

and the Hedging Agreement

**"Funders"** means, together, ~~the Banks, the Mezzanine Providers~~ and the Investors;

*the Secured Creditors*

**"Hedging Agreements"** means any interest rate management agreement or agreements entered into from time to time between the Hedging Bank and Broomco, pursuant to the Facility Agreement;

**"Hedging Bank"** means any bank or financial institution which is or becomes a party to the Inter-Creditor Deed as a Hedging Bank;

*inter alios;*

**"Inter-Creditor Deed"** means the agreement to be made between ~~the Funders~~ and the Company for the purposes of regulating the respective priorities of the Funders;

*Broomco*

*and the holders of the Abbey Loan Notes*

**"Intra-Group Loan Agreement"** means the intra-group loan agreement to be made between, inter alia, (1) Broomco and (2) the Company pursuant to which the Company will agree to make loan facilities available to Broomco, from time to time;

**"Investors"** means the holders from time to time of the Loan Notes;

**"Loan Notes"** means the following loan stock to be issued by Broomco on completion of the acquisition by Broomco of the Shares:

- (1) the loan stock to be issued pursuant to a £29,733,000 loan notes 2008 Series A subordinated loan stock instrument;
- (2) the loan stock to be issued pursuant to a £1,034,000 loan notes 2008 Series B subordinated loan stock instrument; and
- (3) the loan stock to be issued pursuant to a £425,000 loan notes 2008 Series C subordinated loan stock instrument.

**"Loan Note Guarantee"** means a guarantee to be made between (1) the Company and Crompton and (2) each Investor pursuant to which the Company and Crompton will guarantee the Loan Notes;

**"Mezzanine Facilities"** means a mezzanine loan facility in the maximum amount of £5,000,000 to be made available pursuant to the Mezzanine Facility Agreement;

**"Mezzanine Facility Agreement"** means the mezzanine facility agreement to be between (1) HSBC Investment Bank plc as agent (the **"Mezzanine Agent"**), Security Trustee and arranger, (2) the Banks (as defined therein) (together ~~with the Mezzanine Agent~~ the **"Mezzanine Lenders"**), and (3)

Broomco;

"**Mezzanine Providers**" means the Mezzanine Agent and the Banks;

*[Mezzanine Lenders]*

"**Overdraft Bank**" means HSBC Bank plc;

"**Overdraft Facility Letter**" means the letter to be addressed by the Overdraft Bank to, inter alia, the Company;

"**Secured Creditors**" means, together, the Security Trustee, the Senior Arranger, the Senior Agent, the Banks, the Overdraft Bank, the Hedging Bank, the Mezzanine Agent and the Mezzanine Lenders;

"**Security Trustee**" means HSBC Investment Bank Plc acting as security trustee for itself, the Banks and the Mezzanine Providers;

"**Shares**" has the meaning ascribed thereto in annexure 2 to this form 155(6)a.



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Manchester M2 6DS  
United Kingdom

Tel +44 (0)161 838 4000  
Fax +44 (0)161 838 4040  
Telex 668265 PMMMAN G  
DX 718187 Manchester 3

The Directors  
JR Crompton Limited  
12<sup>th</sup> Floor  
Sunlight House  
Quay Street  
Manchester  
M3 3JZ

15 ~~14~~ April 2000

Dear Sirs

**Auditors' report to the directors of JR Crompton Limited ("company") pursuant to Section 156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors dated 14<sup>th</sup> April 2000 in connection with the proposal that the company, should give financial assistance for the purpose of discharging a liability incurred in connection with the acquisition of the entire issued share capital of the company.

We have enquired into the state of the company's affairs in order to review the bases for the statutory declaration.

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully

**KPMG**

*Registered Auditors*



KPMG, a partnership established under English law, is a member of KPMG International, a Swiss association

KPMG is registered to carry on audit work and authorised to carry on investment business

by the Institute of Chartered Accountants in England and Wales. The principal place of

business is 8 Salisbury Square, London EC4Y 8BB where a list of partners' names is open to inspection.