

# G

## Declaration by the directors of a holding company in relation to assistance for the acquisition of shares

# 155(6)b

CHFP025

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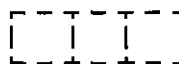
Pursuant to section 155(6) of the Companies Act 1985

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



00167171

Name of company

**Note**

Please read the notes  
on page 3 before  
completing this form

\* ELECTRIUM (UK) LIMITED

\* insert full name  
of company

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

Andrew Kitchen of Oak Cottage, Gayton Lane, Wirral, Merseyside, L60 3SJ; and  
Christopher John Thomas of Whateley House, 9 Whateley Green, Four Oaks, Sutton Coldfield, West  
Midlands, B74 2RL; and  
Niall MacKenzie Turnbull of 12 Fallowfield Drive, Barton under Needwood, Staffordshire, DE13  
8DH.

† delete as appropriate ~~the sole director~~ [all the directors]† of the above company (hereinafter called 'this company') do  
solemnly and sincerely declare that:

§ delete whichever  
is inappropriate

The business of this company is:

- (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§

This company is [the] ☒ holding company of\* Electrium Sales Limited

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

in ~~this company~~ [ Electrium Limited  
the holding company of this company.]†

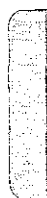
Presenter's name address and  
reference (if any) :

Wragge & Co LLP  
55 Colmore Row  
Birmingham  
B3 2AS

13036 Birmingham 1

For official Use  
General Section

Post room



A16  
COMPANIES HOUSE

0540  
06/01/04

4248231

HTT 25

endor

The assistance is for the purpose of [that acquisition] ~~[reducing or discharging a liability incurred for the purpose of that acquisition].†~~ (note 1)

Please do not write in this margin

The number and class of the shares acquired or to be acquired is: <sup>243,000</sup> ~~200~~ Ordinary shares of £1 each, ~~311,300~~ <sup>311,300</sup> Preference shares of £1 each

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

The assistance is to be given to: (note 2) Hallingware Limited (company number 4948228) whose registered office is situate at 55 Colmore Row, Birmingham, B3 2AS.

The assistance will take the form of:

Please see Annexure 1 attached hereto

HTT 25

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

† delete as appropriate

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

Please see Annexure 2 attached hereto

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is NIL

The amount of cash to be transferred to the person assisted is £ amounts paid pursuant to the Intra-Group Loan Agreement

The value of any asset to be transferred to the person assisted is £ NIL 4248231 Page 2

Please do not write in this margin

The date on which the assistance is to be given is within eight weeks of the date hereof

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

~~no TTK~~ We have formed the opinion, as regards this 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)

~~no TTK~~ (a) We have formed the opinion that this company will be able to pay its debts as they fall due during the year immediately following that date]\* (note 3)

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

~~no TTK~~ (b) ~~It is intended to commence the winding-up of this company within 12 months of that date, and I/we have formed the opinion that this company will be able to pay its debts in full within 12 months of the commencement of the winding-up.]\* (note 3)~~

~~no TTK~~ And 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 55 Colmore Row, Birmingham,  
B3 2AS.

Declarants to sign below

*J. Kitchen*  
*T. Thomas*  
*W. Thomas*

Day Month Year

on 

|   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|
| 2 | 0 | 1 | 2 | 2 | 0 | 0 | 3 |
|---|---|---|---|---|---|---|---|

before me Amanda S. Dales.

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  
Companies House  
37 Castle Terrace  
Edinburgh  
EH1 2EB

*JK TT 25*

**Form 155(6)b**

**Annex 1 to form G155(6)b re Electrium (UK) Limited (Co.No 167171) (the "Company")  
in respect of Electrium Sales Limited**

- 1 A senior loan facility agreement (the "**Senior Loan Facility Agreement**") pursuant to which The Royal Bank of Scotland Plc (the "**Bank**") would make available facilities to Hallingware Limited (the "**Purchaser**") Electrium Limited and Electrium Sales Limited (the "**Assisting Company**") a term loan and working capital facilities up to an aggregate amount of £27,000,000 comprising Tranche A (term loan) up to the sum of £11,500,000, Tranche B (term loan) up to the sum of £6,500,000, Tranche C (term loan) up to the sum of £1,000,000 and Tranche D (committed working capital) up to the sum of £6,000,000, increasing to £8,000,000 for the period from 1 September 2004 to 31 December 2004.
- 2 An unlimited inter company guarantee (the "**Guarantee**") to be executed by the Company, the Assisting Company and Electrium (UK) Limited (together the "**Target Companies**") and the Purchaser in favour of the Bank pursuant to which the Purchaser and the Target Companies would jointly and severally guarantee the obligations of each other to the Bank, including obligations incurred under the Senior Loan Facility Agreement and pursuant to any interest rate hedging instrument incurred in part for the purpose of or otherwise in connection with the acquisition (the "**Acquisition**") of the whole of the issued share capital (the "**Shares**") in the Company by the Purchaser (together the "**Secured Obligations**").  
*no TT JK*
- 3 A debenture (the "**Debenture**") to be executed by the Assisting Company in favour of the Bank, pursuant to which the Assisting Company charges by way of fixed and floating charges, ~~inter alia~~<sup>all</sup> its assets and undertaking as security for the Secured Obligations.  
*no TT JK*
- 4 An unlimited inter company composite guarantee (the "**Investment Guarantee**") to be executed by the Target Companies and the Purchaser in favour of Lloyds TSB Development Capital Limited and LDC Co Investment Plan ("**LDC**") pursuant to which the Purchaser and the Target Companies would jointly and severally guarantee the obligations of each other to LDC, including obligations incurred under the investment agreement dated on or about the date hereof and made between, inter alios, the purchaser and LDC, incurred in part for the purpose of or otherwise in connection with the Acquisition of the Shares in the Company by the Purchaser (together the "**Investment Secured Obligations**").
- 5 Legal mortgages to be executed by the Assisting Company in favour of the Bank over the Assisting Company's freehold premises at land and buildings on the north side of Litchfield Road, Brownhills registered at HM Land Registry under Title Number: WM144240 and the Assisting Company's leasehold premises known as land and buildings on the north side of Close Lane, Hindley Green registered at HM Land Registry under Title Number: GM578287, land and buildings on the north side of Close Lane Hindley Green registered at HM Land Registry under Title Number GM129390, land and buildings on south east side of Sharston Road Wythenshaw registered at HM Land Registry under Title Number GM542445, land and buildings  
*no TT JK*

*JK/T/ro*  
*ro/T/JK*  
lying on the north of Harper Road registered at HM Land Registry under Title Number GM548473, land and buildings on south west side of Longley Lane registered at HM Land Registry under Title Number GM546016, land and buildings on north west side of Harper Road registered at HM Land Registry under Title Number GM548473, land on South East side of Sharston Road, Wythenshaw registered at HM Land Registry under Title Number GM217984 (the "**Legal Mortgages**")

- 5 A debenture (the "**Investment Debenture**") to be executed by the Assisting Company in favour of LDC, pursuant to which the Company charges by way of fixed and floating charges, inter alia, its assets and undertaking as security for the Investment Secured Obligations.
- 6 An intra-group loan agreement (the "**Intra-Group Loan Agreement**") whereby the Target Companies (including the Assisting Company) agree to lend sums of money to the Purchaser, in order to enable the Purchaser to make payments to the Bank pursuant to the Senior Loan Facility Agreement and the loan stock of ~~£11,950,000.00~~ *£10,000,000* which has been issued by the Purchaser pursuant to a loan stock instrument dated on or about the date hereof to finance the Acquisition and the Purchaser agrees to lend sums of money to the Target Companies to provide working capital.

*JK 7/11 20*

**Annex 2 to form G155(6)(b) Electrium (UK) Limited in respect of Electrium Sales  
Limited  
(Co No. 167171) (the "Company")**

- 1 By the Assisting Company and the Company and the Purchaser executing the Senior Loan Facility Agreement the Assisting Company would among other things, agree to indemnify the Bank against, inter alia, certain losses incurred by the Bank by reason, directly or indirectly, of the Bank entering into the Senior Loan Facility Agreement and would agree to be subject to rights of set-off in respect of any credit balance held by the Company at the Bank against the Secured Obligations.
- 2 By executing the Guarantee the Assisting Company would in accordance with its terms:
  - (a) guarantee to the Bank to pay to it on the due date for payment, the Secured Obligations; and
  - (b) covenant that as and when the Secured Obligations become due for payment or on such earlier date as the Guarantee becomes enforceable and the Bank determines to enforce the same, it shall on demand by the Bank pay the Secured Obligations.
- 3 By executing the Debenture the Assisting Company would covenant to discharge on demand all the Company's liabilities to the Bank of any kind and in any currency (whether present or future actual or contingent and whether incurred alone or jointly with another) together with the Bank's charges and commission, interest and expenses and as a continuing security for such discharge and with full title guarantee charge to the Bank:-
  - (a) By way of legal mortgage all the freehold and leasehold property now vested in or charged to the Assisting Company including any Registered Land (as defined in the Debenture)
  - (b) By way of fixed charge all estates or interests in any freehold and leasehold property now and in the future vested in or charged to the Assisting Company except the property charged by Clause 1.1 of the Debenture
  - (c) By way of fixed charge all fixtures and fittings from time to time attached to any freehold and leasehold property of the Assisting Company
  - (d) By way of fixed charge all the plant and machinery vehicles and computer equipment of the Assisting Company present and future not regularly disposed of in the ordinary course of business and all associated warranties and maintenance contracts
  - (e) By way of fixed charge all furniture furnishings equipment tools and other chattels of the Assisting Company present and future not regularly disposed of in the ordinary course of business

- Att 20*
- (f) **By way of fixed charge all rents receivable from any lease granted out of any freehold and leasehold property of the Assisting Company**
  - (g) **By way of fixed charge all the goodwill and uncalled capital of the Assisting Company present and future**
  - (h) **By way of fixed charge all stocks shares and other securities held by the Assisting Company from time to time in any subsidiary and all income and rights derived from or attaching to the same**
  - (i) **By way of fixed charge all stocks shares and other securities of the Assisting Company present and future (except those charged by Clause 1.8 of the Debenture) and all income and rights derived from or attaching to the same**
  - (j) **By way of fixed charge all Intellectual Property Rights choses in action licences and claims of the Assisting Company present and future and the insurance policies and proceeds of any insurance from time to time affecting the Property. "Intellectual Property Rights" include (without limitation) all rights in patents inventions copyrights design rights trademarks service marks database rights confidential information know-how domain names and business names**
  - (k) **By way of fixed charge the benefit of any currency or interest rate swap cap or collar or other hedging agreement or any futures transaction or treasury instrument made with the Bank or any third party**
  - (l) **By way of fixed charge all book debts and other debts of the Assisting Company present and future and the proceeds of payment or realisation of each of them until the receipt of the proceeds from time to time into an account in accordance with Clause 4.2 of the Debenture**
  - (m) **By way of fixed charge all funds standing to the credit of the Assisting Company from time to time on any account with the Bank or any other bank or financial institution or organisation including all receipts from time to time paid into an account in accordance with Clause 4.2 Provided that the Bank may without prejudice to this deed permit the Company to make withdrawals from time to time**
  - (n) **By way of floating charge all the undertaking and all property assets and rights of the Assisting Company present and future not subject to a fixed charge under this deed**

4 By executing the Investment Guarantee the Assisting Company would in accordance with its terms:

- (a) guarantee to LDC to pay to it on the due date for payment, the Investment Secured Obligations; and
- (b) covenant that as and when the Investment Secured Obligations become due for payment or on such earlier date as the Investment Guarantee becomes enforceable and LDC determines to enforce the same, it shall on demand in writing by LDC pay the Investment Secured Obligations.

- Handwritten signature*
- 5 By executing the Legal Mortgages the Assisting Company would in accordance with its terms, as security for payment and discharge of the Secured Obligations, charge its real property as listed under paragraph 2 of the Legal Mortgages.
  - 6 By executing the Investment Debenture the Assisting Company would in accordance with its terms, as security for payment and discharge of the Investment Secured Obligations charge all its assets and undertaking by way of first fixed and floating charges.
  - 7 By executing the Intra-Group Loan Agreement, the Assisting Company (together with the other Target Companies) would agree to make available to the Purchaser a revolving loan facility up to the principal amounts outstanding under the Senior Loan Facility Agreement to be used by the Purchaser to make payments which become due under the Senior Loan Facility Agreement or in respect of any particular advance to the Purchaser under the Intra-Group Loan Agreement or such other purpose as the Companies may agree. *and interest thereon*
- Handwritten signature*



## INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF ELECTRIUM (UK) LIMITED ("THE COMPANY") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

We have examined the attached statutory declaration of the directors of the Company dated 19 December 2003 in connection with the proposal that Electrium Sales Limited of which the Company is a holding company should give financial assistance for the purchase of the entire issued share capital of the Electrium Limited being a holding company of the Company and Electrium Sales Limited.

### Basis of opinion

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

### Opinion

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 is unreasonable in all the circumstances.

*Deloitte. Touche LLP*

Chartered Accountants and Registered Auditors

Date

*19 December 2003*

Four Brindleyplace  
Birmingham  
B1 2HZ