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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

422128

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

To the Registrar of Companies

For official use

Company number

[] [] [] [] [] [] [] [] [] []

421841422

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

Name of company

* H&S AVIATION LIMITED

*Insert full name of company

*Wet [See Appendix A]

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 8 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 Caradon Pillar

The assistance is for the purpose of [that acquisition] [reducing or discharging liability incurred for the purpose of that acquisition] Limited

The number and class of the shares acquired or to be acquired is: All the issued share capital in Caradon Pillar Limited

Presentor's name, address and reference (if any):
S J Berwin & Co
222 Grays Inn Road
London
WC1X 8HB

For official use
General Section

KLO *K79ARRLD* 465
COMPANIES HOUSE 18/12/96

The assistance is to be given to: (note 2) _____

Vector Industries Limited (registered no. 2843752) having its registered office
at Carr Hill, Doncaster DN4 8DQ and RBS as agent and security trustee under the
Financing Documents.

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legibly, preferably
in black type, or
bold block
lettering

The assistance will take the form of:

See Appendix B

The person who ~~has acquired~~ (will acquire)* the shares is:

Vector Engineering Limited

*Delete as
appropriate

The principal terms on which assistance will be given are:

See Appendix C

The amount of cash to be transferred to the person assisted is £ Nil

The value of any asset to be transferred to the person assisted is £ Nil

The date on which the assistance is to be given is See Appendix D

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write in this
margin.

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

Delete either (a) or
(b) as appropriate

I/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) I/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) ~~I/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 I/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 222 Grays Inn Road

London WC1X 8HB

the 6th day of December

One thousand nine hundred and 1996

before me PHILIP ALFANDARY, SOLICITOR
LONDON

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

P.A. Alfandary

[Signature]

Declarants to sign below

[Signature]
[Signature]

J. Fisher Director

[Signature]

[Signature]

[Signature]

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.

P.A.A.

H+S Aviation Limited

APPENDIX A

Directors	Addresses
Alan Charles Robinson	Eden House Dodsley Grove Midhurst Sussex GU29 9AB
John Ernest Ridley Barker	14 Glebe Meadow Overton Basingstoke Hants. RG25 3ER
Anthony Lorraine Russell	1 Swallow Close Denvilles Havant Hants. PO9 2RA
Stephen Anthony Smith	12 Chestnut Avenue Northwood Middlesex HA6 1HR
Ian Fisher	Flat 7 2 Albert Terrace London NW1
Alan Fletcher	14 Fiery Hill Road Barnt Green Birmingham
Andrew Fischer	The Chestnuts Peakirk Peterborough PE6 7NW

PAA

APPENDIX B

The assistance will arise as a result of:

- 1 the Guarantee and Debenture under which the Company:
 - (a) grants fixed and floating charges, mortgages and assignment over and/or of all of its assets and undertaking in favour of the Security Trustee for itself and on behalf of the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent and the Bridging Banks as security for the Secured Liabilities; and
 - (b) guarantees to the Security Trustee, the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent and the Bridging Banks, the due and punctual payment, observance and performance of the Secured Liabilities owing by each other Obligor when and as the same becomes due; and
- 2 the Inter-Company Funding Arrangements under which the Company agrees to lend funds to the Parent to enable the Parent primarily to service its repayment and other related obligations under the Credit Agreement and the Bridging Facility Agreement.
- 3 The Inter-Creditor Deed under which the Intercompany Liabilities (as defined therein) are subordinated to the Senior Liabilities, the Hedging Liabilities, the FX and BACS Liabilities and the Bridging Liabilities.

All terms shall be interpreted as defined in the Credit Agreement, the Guarantee and Debenture and the Intercreditor Deed.

In this statutory declaration the following expressions have the following meanings:

BACS	means Bankers Automated Clearing System;
Bridging Agent	means The Royal Bank of Scotland plc and its successors as Bridging Agent under the Bridging Facility Agreement;

Bridging Banks	means the Lenders from time to time as defined in the Bridging Facility Agreement;
Bridging Facility Agreement	means the bridging facility agreement dated [] 1996 between (1) the Parent (2) The Royal Bank of Scotland plc as Agent and Arranger, and (3) The Royal Bank of Scotland plc and Union Bank of Switzerland as amended, supplemented, restated or novated from time to time;
Bridging Financing Documents	means the Financing Documents as defined in the Bridging Facility Agreement;
Credit Agreement	means the credit agreement dated [] 1996 between the Parent and Others (1), The Royal Bank of Scotland plc as Agent (2), The Royal Bank of Scotland plc as Arranger (3), The Royal Bank of Scotland plc as Clearing Bank (4) and The Royal Bank of Scotland plc and others as Banks (5) as amended, supplemented, restated or novated from time to time;
Event of Default	means an Event of Default as defined in the Credit Agreement or the Bridging Facility Agreement;
Financing Documents	means the Senior Financing Documents, the Hedging Documents, the FX and BACS Documents, the Bridging Financing Documents, any Waiver Letter and any document ancillary or pertaining thereto, Guarantee and Debenture and any instrument or further charge or document ancillary or pertaining hereto or arising out of the terms of the Guarantee and Debenture and any other document designated as a Financing Document by both the Security Trustee and the Parent or otherwise declared or expressed to be a financing document by the terms of any other Financing Document;

FX and BACS Bank	means the Royal Bank of Scotland plc in its capacity as a provider of foreign currency exchange and foreign currency exchange hedging facilities and a provider of BACS facilities to one or more of the Obligors and includes any person to whom any FX and BACS Liabilities may be owing or payable (whether or not matured) from time to time;
FX and BACS Document	means any document governing the terms of any foreign currency exchange facilities or foreign currency exchange hedging facilities or BACS facilities entered into by any member of the Group and "FX and BACS Documents" means all such documents;
Group	means the Company and each of its holding companies and each subsidiary of each of its holding companies from time to time;
Guarantee and Debenture	means a guarantee and debenture granted by the Company in favour of the Security Trustee;
Hedging Banks	bears the meaning specified in the Inter-Creditor Deed;
Hedging Documents	bears the meaning specified in the Inter-Creditor Deed;
Inter Company Funding Agreement	an Intercompany Financing Agreement made between the Company and the Parent for the provisional of loan funds to the Parent by the Company for the use amongst others by the Parent to discharge its obligations under the Credit Agreement and the Bridging Facility Agreement;
Inter-Creditor Deed	means the inter-creditor deed dated [] entered into between the Parent and Others (1), the Senior Banks (2), the Senior Agent (3), the Security

Trustee (4), the Bridging Banks (5), the Bridging Agent (6), the Hedging Banks (7), FX and BACS Bank (8) the Intercompany Creditors (9), the Intercompany Debtors (10), [Caradon plc] (11) and the Investors (12) (as such terms are defined therein);

Obligor

means any person which is or has been a member of the Group and which has or which will have any liability (actual or contingent) and whether alone or jointly with any other person and whether as principal debtor, guarantor or surety or otherwise (or as the equivalent obligor under the laws of any other jurisdiction) to the Security Trustee, the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent and the Bridging Banks or any of them for the payment or repayment of any amounts outstanding or capable of becoming outstanding under the Financing Documents and "Obligors" shall be construed accordingly;

Parent

has the meaning ascribed to it in the Credit Agreement;

Secured Liabilities

means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or as principal debtor, guarantor, surety or otherwise or as the equivalent obligor under the laws of any other jurisdiction) of each Obligor to the Security Trustee, the Senior Banks, the Senior Agent, the Hedging Banks, the FX and BACS Bank, the Bridging Agent and the Bridging Banks or any of them under the Financing Documents, together with:

- (a) all costs, charges and expenses incurred by the Security Trustee or the Senior Agent,

the Bridging Agent, or any Senior Bank, Hedging Bank, the FX and BACS Bank or any Bridging Bank in connection with the protection preservation or enforcement of its respective rights under the Financing Documents;

- (b) any refinancing, novation, refunding, deferral or extension of any of those obligations or liabilities;
- (c) any further advances which may be made by any Senior Bank or any Bridging Bank to any Obligor under any agreement expressed to be supplemental to any of the Financing Documents and all interest, fees and costs in connection therewith;
- (d) any claim for damages or restitution in the event of rescission of any of those obligations or liabilities or otherwise in connection with the Financing Documents;
- (e) any claim against any Obligor flowing from the recovery by an Obligor of a payment or discharge in respect of any of those liabilities on grounds of preference or otherwise; and
- (f) any amounts which would be included in any of the foregoing but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings;

Security Trustee

means The Royal bank of Scotland plc in its capacity as Security Trustee for itself, the Senior Agent, Senior Banks, the Hedging Banks, the FX

	and BACS Bank, the Bridging Agent and the Bridging Banks and its successors;
Senior Agent	means The Royal Bank of Scotland plc and its successors as Senior Agent under the Credit Agreement;
Senior Financing Documents	means the Financing Documents as defined in the Credit Agreement;
Senior Banks	means the Banks from time to time as defined in the Credit Agreement from time to time;
Waiver Letter	has the meaning ascribed to it in the Credit Agreement;

P.A.A.

APPENDIX C

The financial assistance is to be granted on the terms set out in the Guarantee and Debenture, the Inter-Company Funding Agreement, the Inter-Creditor Deed (as defined in Appendix B to this statutory declaration) the principal terms of which include:

(A) The Debenture

The Company in the Guarantee and Debenture as principal debtor and not merely as surety, covenants with the Security Trustee for itself and on behalf of the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent and the Bridging Banks that it will pay or discharge the Secured Liabilities on the due date therefor in the manner provided in the relevant Financing Document.

(1) The Guarantee Provisions

(A) The Company irrevocably and unconditionally:

(i) guarantees to the Security Trustee, the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent and the Bridging Banks the due and punctual payment, observance and performance of the Secured Liabilities owing by each other Obligor when and as the same shall become due;

(ii) as principal debtor undertakes to the Security Trustee on its own account and on behalf of the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent and the Bridging Banks that if and each time that another Obligor shall be in default in the payment or performance of any of the Secured Liabilities, the Company will on demand from the Security Trustee, make good the default and pay all sums which may be payable in respect thereof as if the Company instead of such Obligor were the principal debtor in respect thereof, together with interest thereon at the rate per annum from time to time payable by such Obligor on such sums from the date when such sums become payable by the Company hereunder until payment of the Secured Liabilities in full; and

(iii) agrees as a primary obligation to indemnify the Security Trustee, the Senior Agent, the Bridging Agent and each Senior Bank, Hedging Bank, the FX and

BACS Bank and each Bridging Bank on demand by the Security Trustee, from and against any loss incurred by the Security Trustee, the Senior Agent, the Bridging Agent and each Senior Bank, Hedging Bank, the FX and BACS Bank and Bridging Bank or any of them in connection with the non-payment or non-performance of any of the Secured Liabilities owing by any other Obligor or as a result of any of the Secured Liabilities or any of the Financing Documents being or becoming void, voidable, unenforceable or ineffective as against any other Obligor for any reason whatsoever, whether or not known to the Security Trustee, the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent and the Bridging Banks or any of them or any other person, the amount of such loss being the amount which the person or persons suffering it would otherwise have been entitled to recover from such Obligor.

- (B) The obligations of the Company in the Guarantee and Debenture are in addition to and independent of every other security which the Security Trustee, the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent and the Bridging Banks, or any of them may at any time hold in respect of any of the Obligors' respective obligations under the Financing Documents. The obligations of the Company shall constitute and be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever and in particular but without limitation shall not be considered satisfied by any intermediate payment or satisfaction of all or any of the obligations of any of the Obligors under the Financing Documents and shall in full force and effect until final and irrevocable payment in full of all the Secured Liabilities, total satisfaction of all the Obligors' respective actual and contingent obligations thereunder and termination of all lending commitments under the Financing Documents.
- (C) Neither the obligations of the Company in the Guarantee and Debenture nor the rights, powers and remedies conferred in respect of the Company upon the Security Trustee, the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent and the Bridging Banks, or any of them by the Financing Documents or the Guarantee and Debenture or by law shall be discharged, impaired or otherwise affected by:
 - (i) the winding-up or dissolution of any of the Obligors or any change in the status, function, control or ownership thereof;

- (ii) any of the obligations of any of the Obligor under the Financing Documents being or becoming illegal, invalid, unenforceable or ineffective in any respect;
 - (iii) time or other indulgence being granted or agreed to be granted to any of the Obligor in respect of its obligations under any of the Financing Documents;
 - (iv) any amendment to, or any variation, waiver or release of any obligation of any of the Obligor under any of the Financing Documents;
 - (v) any failure to take, or fully to take, any security contemplated by any of the Financing Documents or otherwise agreed to be taken in respect of any of the Obligor's respective obligations thereunder;
 - (vi) any failure to realise or fully to realise the value of, or any release, discharge, exchange or substitution of, any security taken in respect of any of the Obligor's respective obligations under any of the Financing Documents; or
 - (vii) any other act, event or omission which, but for paragraphs B-I inclusive (as set in herein) might operate to discharge, impair or otherwise affect any of the obligations of the Company herein contained or any of the rights, powers or remedies conferred upon the Security Trustee, the Senior Agent, the Senior Banks, the Hedging Banks, the Bridging Agent and the Bridging Banks, or any of them by the Financing Documents or by law.
- (D) Any settlement or discharge between the Company and the Security Trustee, the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Banks, or any of them shall be conditional upon no security or payment to the Security Trustee, the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent, the Bridging Banks, or any of them by the Company or any other person on behalf of the Company being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force and, if any such security or payment is so avoided or reduced, the Security Trustee, the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent and the Bridging Banks shall be entitled to recover the value or amount of such security or payment from the Company subsequently as if such settlement or discharge had not occurred.
- (E) Neither the Security Trustee, the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent, the Bridging Banks, nor any of

them shall be obliged before exercising any of the rights, powers or remedies conferred upon them in respect of the Company by any of the Financing Documents or by law:

- (i) to make any demand of any of the Obligors, other than that required by the terms of the Financing Documents;
- (ii) to take any action or obtain judgment in any court against any of the Obligors;
- (iii) to submit, make or file any claim or proof in a winding-up or dissolution of any of the Obligors; or
- (iv) to enforce or seek to enforce any other security taken in respect of any of the obligations of any of the Obligors under the Financing Documents.

(F) The Company agrees that, so long as the Secured Liabilities have not been paid or any of the Obligors is under any actual or contingent obligation under the Financing Documents, the Company shall not exercise any rights which it may at any time have by reason of performance by it of its obligations under the Guarantee and Debenture (all such rights identified in (i), (ii) and (iii) below being collectively called the "Subrogation Rights");

- (i) to be indemnified by any of the Obligors; and/or
- (ii) to claim any contribution from any other guarantor of any of the Obligors' obligations under the Financing Documents; and/or
- (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Trustee, the Senior Agent, the Senior Banks, the Hedging Banks, the FX and BACS Bank, the Bridging Agent, the Bridging Banks, or any of them under any of the Financing Documents;

and the Company shall forthwith pay or transfer as the case may be to the Security Trustee an amount equal to any contribution or benefit (including without limitation any set-off) in fact exercised or obtained by it and in the meantime shall hold the same in trust for the Security Trustee. The Company permanently and irrevocably waives any and all of the Subrogation Rights whether now existing or hereinafter acquired which it may now or hereafter possess against US incorporated guarantor or principal debtor.

- (G) So that the Security Trustee, the Senior Agent, the Bridging Agent and each Senior Bank, Hedging Bank, the FX and BACS Bank or Bridging Bank may claim against any Obligor or prove in any bankruptcy or liquidation of any Obligor for the full amount of the Secured Liabilities then owing by it, the Security Trustee, the Senior Agent, the Bridging Agent and each Senior Bank, Hedging Bank, the FX and BACS Bank or Bridging Bank may, after the occurrence of an Event of Default and for so long as the same is continuing, hold in suspense account, until the Secured Liabilities have been irrevocably paid and discharged in full, any moneys received, recovered or realised from or on account of any of the Obligors without being under any intermediate obligation to apply the same or any part thereof in or towards the discharge of the said amount. The Security Trustee, the Senior Agent, the Bridging Agent and each Senior Bank, Hedging Bank, the FX and BACS Bank or Bridging Bank may refrain from applying or enforcing any other security, money or rights held or received in respect of the Secured Liabilities or may apply the same in such manner and order as they see fit and the Company shall not be entitled to the benefit of the same until all the Secured Liabilities have been irrevocably paid and discharged in full.
- (H) No delay on the part of the Security Trustee in exercising any right, power or remedy shall operate as a waiver thereof nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy.
- (I) No amendment, modification or waiver of, or any consent with regard to, any provision of the Debenture shall in any event be effective unless the same shall be in writing, and signed and delivered by the Security Trustee and then such amendment, modification, waiver or consent shall be effective only in the specific instance for the purpose for which it was given.

2 The Charging Provisions

The Company with full title guarantee in the Guarantee and Debenture charges with the payment and discharge to the Security Trustee of all the Secured Liabilities:

- (A) The property described in the third schedule to the Guarantee and Debenture together with all buildings and fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and therein.

- (B) All other freehold and leasehold property of the Company both present and future together with all buildings and fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and therein.
- (C) All plant, machinery, vehicles and other equipment now or hereafter owned by the Company together with the benefit of any obligations and warranties given by the manufacturer or supplier of such plant, machinery or other equipment and the benefit of all maintenance agreements entered into between the Company and any other person in respect of such plant, machinery and other equipment.
- (D) The shares as described in the first schedule to the Guarantee and Debenture.
- (E) All other shares and stock in the capital of any company which at the date of the Guarantee and Debenture or at any time thereafter is owned by the Company or in which the Company otherwise has an interest together in all cases with all rights arising in relation thereto.
- (F) The benefit of all present and future licences (statutory or otherwise) held in connection with the Company's business or the user of any of the mortgaged property and the right to recover and receive all compensation which may at any time become payable to the Company in respect thereof.
- (G) All licences and patents (including applications and the rights to apply therefor), copyrights, rights in trademarks whether registered or not, trade names, rights in service marks whether registered or not, registered designs, know-how and rights in confidential information now or at any time belonging to the Company.
- (H) The goodwill and the uncalled capital of the Company both present and future.
- (I) The book debts due or owing to the Company both present and future.
- (J) All benefits in respect of all contracts and policies of insurance which are from time to time taken out by or (to the extent of such interest) in which the Company has an interest excluding without limitation the Keyman Policies as defined in the Debenture (except to the extent assigned pursuant to clause 7 of the Guarantee and Debenture).
- (K) The stock-in-trade and work-in-progress, prepayments, investments quoted on a recognised stock exchange and cash of the Company both present and future.

- (L) The undertaking and all other property and assets of the Company both present and future.

The charges on the property and assets A, B, C, D, E, F, G, H, I and J described (above) are created as fixed charges and constitute charges by way of legal mortgage on the property A, B and D described (above) which is now vested in the Company.

The charges on the property and assets K and L described (and also on such of the said property and assets of the Company both present and future as the Security Trustee may have agreed in writing to exclude from the fixed charge or are otherwise not effectively charged hereunder by way of fixed charge) are created as floating charges until the provisions of Condition 14 set out in the Second Schedule of the Guarantee and Debenture becomes operative when the floating charges shall crystallise and become fixed charges. The charges created by the Guarantee and Debenture shall be a continuing security and shall unless otherwise agreed in writing by the Security Trustee be first charges.

3 Assignment Provisions

The Company as security for the payment and discharge of all the Secured Liabilities hereby assigns and agrees to assign to the Security Trustee with full title guarantee all of the Company's right, title and interest, present and future, in and to:

- (i) the right to receive payment under the Acquisition Documents as defined in the Credit Agreement; and
- (ii) the Keyman Policies as defined in the Guarantee and Debenture; and

undertakes to the Security Trustee promptly to give such notice of this assignment and subsequent assignments hereunder as the Security Trustee may require, provided that to the extent (if any) that such right, title and interest are not assignable such assignment will operate as an assignment of proceeds received by the Company under the Acquisition Documents or the Keyman Policies as the case may be as security for the Secured Liabilities.

B Inter-Company Funding Agreement

The Company has undertaken to fund pursuant to the Inter Company Funding Agreement certain loans within the Group pursuant to the Financing Documents.

C Inter Creditor Deed

The Inter Creditor Deed provides that the Company shall subordinate the Inter-Company Liabilities (as defined therein) as such liabilities shall arise pursuant to any Inter-Company Agreement or in any other manner to the Senior Liabilities, the Hedging Liabilities, the FX and BACS Liabilities and the bridging Liabilities.

P.A.A.

APPENDIX D

On [6] December (or such date as the relevant Banks may agree in writing provided that such later date shall not be more than 4 weeks from the date of this statutory declaration).

Price Waterhouse



AUDITORS' REPORT TO THE DIRECTORS OF H&S AVIATION LIMITED ("THE COMPANY") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

We have examined the attached statutory declaration of the directors dated 6 December 1996 in connection with the proposal that the company should give financial assistance in relation to a transaction involving the purchase of all of the ordinary shares of Caradon Pillar 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 1985 is unreasonable in all the circumstances.

Price Waterhouse

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors

6 December 1996

Offices at Aberdeen, Birmingham, Bristol, Cardiff, Edinburgh, Glasgow, Hull, Leeds, Leicester, London, Manchester, Middlesbrough, Newcastle, Nottingham, St. Albans, Southampton and Windsor.

The principal place of business is at One Bank Tower, 52 London Bridge Street, London SE1 9DY where a list of the partners' names is available for inspection. The firm is authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.