

G

CHFP014

Please do not
write in
this margin

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 letteringNote
Please read the notes
on page 3 before
completing this form.Ø insert name(s) and
address(es) of all
the directors† delete as
appropriate§ delete whichever
is inappropriateTo the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

--	--	--

00436135

Name of company

* **Kalon Limited**† We Ø **Phillip Evans, of Charlcote, Forbes Park, Robins Lane, Bramhall, Stockport, Cheshire SK7 2RE; and****Keith Robinson, of 33 Alness Drive, Acomb Park, York, Yorkshire, YO24 2XZ**~~XXXXXX~~ [all the directors]† of the above company do solemnly and sincerely declare that:

The business of the company is:

(a) ~~XXXXXX~~ [XXXXXX]† with the trading XXXX XXXX(b) ~~XXXXXX~~ [XXXXXX]† with the trading XXXX XXXX

(c) something other than the above§

The company is proposing to give financial assistance in connection with the acquisition of shares in the ~~XXXXXX~~ [company's holding company] **SigmaKalon UK**

Limited†

The assistance is for the purpose of ~~XXXXXX~~ [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: **356,763,035 ordinary shares of £0.15 each**Presenter's name address and
reference (if any):**Kirkland & Ellis Intl LLP
Tower 42, 25 Old Broad
Street, London EC2N 1HQ**For official Use
General Section

Post room

LD4
COMPANIES HOUSE

#L38Q87HL*

0450
02/08/05

The assistance is to be given to: (note 2) SigmaKalon (BC) UK Limited, company number
04610792, with its registered office at Huddersfield Road, Birstall, Batley, West
Yorkshire, WF17 9XA

Please do not
write in
this margin

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

The assistance will take the form of:

See paragraph 1 of attached Addendum

The person who [has acquired]~~UK share~~† the share is:

† delete as
appropriate

SigmaKalon (BC) UK Limited

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

See paragraph 2 of attached Addendum

The amount of cash to be transferred to the person assisted is £ 0.00

The value of any asset to be transferred to the person assisted is £ 0.00

The date on which the assistance is to be given is 25 July 2005

Please do not
write in
this margin

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

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

~~X~~/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) ~~X~~/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) ~~X~~/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)

And ~~X~~/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

BIRSMALL

Declarants to sign below

on

Day	Month	Year
25	07	2005

before me

[Signature]

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

[Signature]
Keith [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.
- 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

Addendum

1. The assistance will take the form of:
 - 1.1 the entry by the Company into a fixed and floating security document granting security over all its assets and undertaking present and future in connection with a fixed and floating charge (the "Debenture") relating to:
 - (a) a EUR 1,235,000,000 senior facility agreement dated 29 June 2005 made between, amongst others, Veveo Coatings B.V. as the company, ING Finance France S.A. and Merrill Lynch International and CCF S.A. as lead arrangers and ING Bank NV and Merrill Lynch International Bank Limited and Merrill Lynch Capital Markets Bank Limited and CCF S.A. as underwriters and ING Bank N.V. as facility agent and issuing bank and security trustee (the "Security Trustee"), as the same may be further amended, varied, novated or supplemented from time to time (the "Senior Facility Agreement");
 - (b) a EUR 132,000,000 mezzanine facility agreement dated 29 June 2005 made between, amongst others, Veveo Coatings B.V. as the company, ING Finance France S.A. and Merrill Lynch International and CCF S.A. as lead arrangers and ING Bank NV and Merrill Lynch International Bank Limited and Merrill Lynch Capital Markets Bank Limited and CCF S.A. as underwriters and ING Bank N.V. as security trustee and facility agent, as the same may be further amended, varied, novated or supplemented from time to time (the "Mezzanine Facility Agreement" and together with the Senior Facilities Agreement, the "Facilities Agreements");
 - 1.2 the granting by the Company of guarantees and indemnities in favour of the Finance Parties (as defined in the Senior Facility Agreement) and the Mezzanine Finance Parties (as defined in the Mezzanine Facility Agreement) under the Facilities Agreements;
 - 1.3 as a result of its accession to the Senior Facility Agreement and Mezzanine Facility Agreement, accession by the Company to an intercreditor deed dated 29 June 2005 and made between, amongst others, Veveo Coatings B.V. as the company, Sigmakalon Luxco 2 S.à.r.l., ING Bank NV as senior agent and mezzanine agent and security trustee and issuing bank, and certain other parties as named therein (the "Intercreditor Deed");
2. The principal terms on which the assistance will be given are:
 - 2.1 by entering into the Debenture, the Company will, amongst other things:
 - (a) as primary obligor, covenant to the Security Trustee (as agent and trustee for the Secured Parties) that it will pay or discharge all present and future obligations and liabilities (whether actual or contingent and whether owed

jointly or severally or in any other capacity whatsoever) under the Senior Finance Documents and the Mezzanine Finance Documents;

- (b) with full title guarantee, charge in favour of the Security Trustee (as agent and trustee for the Secured Parties):
 - (i) by way of legal mortgage, all Real Property in England and Wales (including that described in Schedule 3 (Real Property) of the Debenture) now belonging to it;
 - (ii) by way of fixed equitable charge, all other Real Property now belonging to it and all Real Property acquired by it in the future; and
 - (iii) by way of fixed charge, all its present and future:
 - (A) Book Debts;
 - (B) English Cash Pooling Bank Accounts;
 - (C) Shares (including the Shares set out in Schedule 4 (Shares of the Debenture));
 - (D) Uncalled capital and goodwill;
 - (E) Intellectual Property Rights (including the Intellectual Property Rights set out in Schedule 5 (Intellectual Property Rights) of the Debenture);
 - (F) Beneficial interest in any pension fund;
 - (G) Plant and machinery (except that mortgaged or charged by paragraph (i) or (ii) above); and
 - (H) Insurances and all related proceeds, claims of any kind, returns of premium and other benefits;
- (c) undertake to, at its own expense, execute and do all such assurances, acts and things as the Security Trustee may reasonably require to:
 - (i) perfect or protect the Charges or the priority of the Charges; or
 - (ii) to facilitate the realisation of the Charged Property or the exercise of any rights vested in the Security Trustee or any Receiver; and
- (d) pay the reasonable costs, charges and expenses incurred and all payments made by the Security Trustee or any receiver appointed under the Debenture and indemnify the Secured Parties and every Receiver, attorney, manager, agent or other person appointed by the Security Trustee in respect of liabilities and expenses in the execution or purported execution of rights and powers under the Debenture.
- (e) assign absolutely with full title guarantee to the Security Trustee as security for the payment and discharge of the Secured Obligations all of the Company's right, title and interest from time to time in and to each of the following:

- (i) Book Debts; and
- (ii) Receivables.

2.2 by acceding to the Senior Facility Agreement, the Company will:

- (a) grant guarantees and indemnities pursuant to which the Company will guarantee jointly and severally with other members of the group of companies of which it is a member:
 - (i) the punctual performance of each Obligor of all that Obligor's obligations under the Finance Documents which include:
 - (A) the Senior Facility Agreement;
 - (B) each accession letter; to be executed in connection with the Senior Facility Agreement
 - (C) any Ancillary Facility Agreement;
 - (D) each Hedging Document;
 - (E) the Hedging Letter;
 - (F) the Intercreditor Deed;
 - (G) any Obligor Resignation Letter;
 - (H) each Security Document;
 - (I) the Syndication Side Letter;
 - (J) each Letter of Credit;
 - (K) each Bank Guarantee; and
 - (L) each other document designated to be such by the Agent (as defined in the Senior Facility Agreement)(each of (B) to (K) inclusive being as defined in the Senior Facility Agreement);
- (b) undertakes with each Finance Party that whenever an Obligor does not pay an amount due under or in connection with any Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor;
- (c) agrees to indemnify each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal; and
- (d) agree that any Finance party may set off any matured obligation due from an Obligor under the Finance Documents (to the extent expected of that Finance Party) against any matured obligation owed by that Finance Party to that Obligor, regardless of the place of payment, booking breach or currency of either obligation.

2.3 by acceding to the Mezzanine Facility Agreement, the Company will:

- (a) grant guarantees and indemnities in favour of the Mezzanine Finance Parties pursuant to which the Company will guarantee jointly and severally with other members of the group of companies of which it is a member punctual performance of each Obligor of all that Obligor's obligations under the Mezzanine Finance Documents which include:

- (A) the Mezzanine Facility Agreement;
- (B) each Accession Letter;
- (C) each Mezzanine Fees Letter;
- (D) each Security Document;
- (E) the Intercreditor Deed;
- (F) each Hedging Document;
- (G) the Syndication Side Letter; and
- (H) each other document designated to be such by the Agent (as defined in the Senior Facility Agreement)

(each of (B) to (G) inclusive being as defined in the Senior Facility Agreement);

- (b) undertakes with each Mezzanine Finance Party that whenever an Obligor does not pay an amount due under or in connection with any Mezzanine Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor;
- (c) agrees to indemnify each Mezzanine Finance Secured Party immediately on demand against any cost, loss or liability suffered by that Mezzanine Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal; and
- (d) agrees that any Mezzanine Finance Party may set off any matured obligation due from an Obligor under the Mezzanine Finance Documents (to the extent owned by that Finance Party) against any matured obligation owed by that Finance Party to that Obligor regardless of the place of payment, booking branch or currency of either obligation.

2.4 by its accession to the Intercreditor Deed, the Company, amongst other things, undertakes not (without the prior consent of the Majority Mezzanine Lenders or the Majority Senior Lenders (both as defined in the Intercreditor Deed)) to:

- (i) pay or make any distribution of any kind whatsoever, in respect of or on account of the Intra-Group Debt, as defined in the Intercreditor Deed) unless such a payment or distribution is a Permitted Intra-Group Payment (as defined in the Intercreditor Deed); or
- (ii) create or permit to subsist, or permit any of its subsidiaries to create or permit to subsist, any Security (as defined in the Intercreditor Deed) or give or permit to subsist and guarantee in respect of any part of the

Intra-Group Debt (as defined in the Intercreditor Deed) and the guarantees contained in the Senior Finance Documents or the Mezzanine Finance Documents.

3. Definitions used in this Addendum.

"the Act" means the Companies Act 1985 (as amended);

"Bank Accounts" of the Company means all current, deposit or other accounts with any bank or financial institution in which it now or in the future has an interest and (to the extent of its interest) all balances now or in the future standing to the credit of those accounts;

"Book Debts" of the Company means all book and other debts of any nature, and all other Receivables in respect of such book and other debts (excluding Bank Accounts);

"Charged Property" means the assets of the Company which from time to time are the subject of the Charges;

"Charges" means all or any Security created or expressed to be created in favour of the Security Trustee pursuant to the Debenture;

"Dutch Finco" means SigmaKalon (BC) Netherlands B.V., a company incorporated and registered under the laws of the Netherlands and being a group company of the Company;

"English Cash Pooling Accounts" of the Company means all current, deposit or other accounts with any bank or financial institution in which it now or in the future has an interest which is used in the cash management of the Group and/or the Ring Fence Companies and (to the extent of its interest) all balances now or in the future standing to the credit of those accounts;

"Equipment" means fixtures, fittings (including trade fixtures and fittings) and fixed plant, machinery and apparatus;

"Finance Documents" means the Senior Finance Documents and the Mezzanine Finance Documents;

"Group" shall have the meaning in the Senior Facility Agreement;

"Intellectual Property Rights" means all patents, designs, copyrights, topographies, trade marks, service marks, trading names, domain names, rights in confidential information and know-how, any other intellectual property and any associated or

similar rights, and any interest in any of the foregoing (in each case whether registered or unregistered and including any related licences and sub-licences of the same, applications and rights to apply for the same and wherever subsisting);

"Interco Loan" means the intra-group facility to be granted by Dutch Finco in favour of certain group companies, including the Company;

"Insurances" means, in relation to the Company, all contracts and policies of insurance of any kind now or in the future taken out by or on behalf of it or (to the extent of its interest) which it now or in the future has an interest;

"Investors" shall have the meaning given in either the Senior Facility Agreement or the Mezzanine Facility Agreement (as appropriate);

"Majority Mezzanine Lenders" means the Majority Lenders as defined in the Mezzanine Facility Agreement;

"Majority Senior Lenders" means the Majority Lenders as defined in the Senior Facility Agreement;

"Mezzanine Finance Documents" has the meaning given to such term in the Senior Facility Agreement;

"Mezzanine Lenders" means the Lenders as defined in the Mezzanine Facility Agreement;

"Obligors" means the Company, each Borrower, each Guarantor and each other member of the Group which has any obligation to any Finance Party (all as defined in the Intercreditor Deed) under any Finance Document;

"Receivables" means all money, including all sales proceeds, payable now or in the future to the Company under or in respect of any payment or negotiable instrument (including any guarantee, bond, indemnity, promissory note, bill of exchange, standby letter of credit or other similar instrument), book debt or other debt of any nature, together with:

- (a) all rights, benefits or proceeds arising thereunder;
- (b) all benefits of any related rights, security, guarantees or indemnities of any kind; and
- (c) all rights, actions and remedies now or hereafter accruing under or in relation thereto.

"Receiver" means an administrative receiver, receiver and manager or other receiver appointed in respect of the Charged Property;

"Real Property" means freehold and leasehold property in England and Wales and other real property anywhere in the world (in each case including any estate or interest therein, all rights from time to time attached or relating thereto and all Equipment from time to time therein or thereon);

"Ring Fence Companies" shall have the meaning in the Senior Facility Agreement;

"Secured Party" shall have the meaning given to it in the Senior Facility Agreement.

"Senior Lender" means an Ancillary Lender or a Lender in each case under, and as defined in, the Senior Facility Agreement;

"Shares" means, in each case now or in the future owned by the Company or (to the extent of its interest) in which the Company now or in the future has an interest:

- (d) all securities and investments of any kind (including any issued share capital and common stock);
- (e) all warrants, options or other rights to subscribe for, purchase or otherwise acquire securities and investments;
- (f) all rights relating to securities and investments which are deposited with, or registered in the name of, any depository, custodian, nominee, clearing house or system, investment manager, chargee or other similar person or their nominee, in each case whether or not on a fungible basis (including rights against any such person); and

all other rights attaching or relating to securities or investments or other securities or investments in the future deriving from Shares or such rights;

"Secured Documents" means the Finance Documents.

"Secured Obligations" of the Company means all obligations at any time due, owing or incurred by it to any Secured Party under the Secured Documents, including any liability in respect of any further advances made under the Secured Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or surety or in some other capacity);

"Security Trustee" means ING Bank NV as Security Trustee for the Senior Finance Parties and Mezzanine Finance Parties under the Security Documents, together with any successors thereto; and

"Senior Finance Documents" means the Finance Documents as defined in the Senior Facility Agreement.

PricewaterhouseCoopers LLP

Benson House

33 Wellington Street

Leeds LS1 4JP

Telephone: +44 (0) 113 289 4000

Facsimile: +44 (0) 113 289 4460

www.pwc.com/uk

STRICTLY PRIVATE AND CONFIDENTIAL

The Directors
Kalon Limited
Huddersfield Road
Birstall
BATLEY
West Yorkshire
WF17 9XA

25 July 2005

Dear Sirs

Auditors' report to the directors of Kalon Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of Kalon Limited (the "Company") dated 25 July 2005 in connection with the proposal that the Company should give financial assistance for the reduction or discharge of a liability originally incurred for the purchase of the shares of the Company's holding company SigmaKalon UK Limited by SigmaKalon (BC) UK Limited. This report, including the opinion, has been prepared for and only for the Company and the Company's directors in accordance with Section 156 of the Companies Act 1985 and for no other purpose. We do not, in giving the opinion set out below, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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.

Yours faithfully

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors

LD4
COMPANIES HOUSE

L388C7HM

0449
02/08/05