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CHFP025

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COMPANIES FORM No. 155(6)a

Declaration in relation to assistance for the acquisition of shares

155(6)a

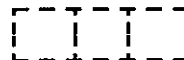
Pursuant to section 155(6) of the Companies Act 1985

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



438206

Note

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

* insert full name
of company

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

Name of company

* The Expanded Metal Company Limited of PO Box 14, Longhill Industrial
Estate (North), Hartlepool, Cleveland TS25 1PR (the "Company")

§/We § Thomas Rayner of 15 Greenbank Court Hartlepool Cleveland TS26 0HH;
Martyn Taylor of Ardenode Broom Way Weybridge Surrey KT13 9TG and
Richard Wilson of Fairfield House Goose Hill Headley Newbury
Berkshire RG15 9AU

† delete as
appropriate

§ delete whichever
is inappropriate

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

The business of the company is:

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

~~(b) that of a person authorised under section 9 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] Expamet International Limited (formerly Expamet
International plc) ~~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: 64,144,071 ordinary
shares of 25p each

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

Macfarlanes
10 Norwich Street
LONDON
EC4A 1BD
NDRW/564073/1611919

For official Use
General Section

Post room



LD7
COMPANIES HOUSE

0239
13/07/01

The assistance is to be given to: (note 2) _____
Clifton House Acquisition Limited (company number 4174909) of Clifton House,
83/89 Uxbridge Road, Ealing, London W5 5TA (the "Purchaser")

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

The assistance will take the form of:

See Annex 1

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

† delete as
appropriate

The Purchaser

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

See Annex 2

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 within 8 weeks of date hereof

Please do not
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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 Expanet Int. Ltd.
Clifton House, Ealing.

Declarants to sign below

Day Month Year
on

2	8	0	6	2	0	0	1
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before me N. SAVILLE

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

PRINCE EVANS
77 UXBRIDGE ROAD
EALING, LONDON W5 5ST

M. Taylor
M. TAYLOR

Richard Haigh Wilson
THOMAS RAYNER

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

ANNEX 1

- 1 The execution of a guarantee and debenture by the Company in favour of Bank of Scotland as security trustee (the "Guarantee and Debenture") pursuant to which the Company would guarantee the obligations of the Purchaser under the facility agreement dated 16 March 2001 between the Parent, Bank of Scotland (the "Bank") and the banks listed therein (as amended, varied, supplemented, novated or replaced from time to time) (the "Facility Agreement") providing a term loan and revolving credit facility to the Purchaser of up to £53,500,000 and all related documents and the Company would grant fixed and floating charges over all its property, assets and undertaking from time to time in favour of the Bank as security for such guarantee obligations.
- 2 The execution by the Company of an intra-group funding agreement (the "Funding Agreement") pursuant to which the Company would agree to make certain loan facilities available to the Purchaser.

ANNEX 2

- 1 Pursuant to the Guarantee and Debenture the Company would agreed to:-
 - 1.1 irrevocably and unconditionally:
 - 1.1.1 guarantee to the Security Trustee and the Secured Parties 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;
 - 1.1.2 as principal debtor undertake to the Security Trustee on its own account and on behalf of the Secured Parties 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 would 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
 - 1.1.3 agree as a primary obligation to indemnify the Security Trustee and each Secured Party on demand by the Security Trustee from and against any loss incurred by the Security Trustee and each Secured Party 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 or the Secured Parties 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.
 - 1.2 with full title guarantee charge with the payment and discharge to the Security Trustee (as agent and trustee for the Secured Parties) of all the Secured Liabilities:
 - 1.2.1 as a fixed charge by way of legal mortgage all 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;
 - 1.2.2 as a fixed charge all plant, machinery, vehicles and other equipment at the date of the Guarantee and Debenture or thereafter 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;
 - 1.2.3 as a fixed charge by way of legal mortgage the Shares;
 - 1.2.4 as a fixed charge all other shares and stock in the capital of any company which is owned by the Company from time to time or in which the Company otherwise has an interest together in all cases with all rights arising in relation thereto;
 - 1.2.5 as a fixed charge the benefit of all present and future licences (statutory or otherwise) held in connection with its 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 it in respect thereof;

- 1.2.6 as a fixed charge all licences and patents (including applications and the rights to apply therefore), 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 from time to time belonging to it;
- 1.2.7 as a fixed charge the goodwill and the uncalled capital of the Company both present and future;
- 1.2.8 as a fixed charge the book debts due or owing to the Company both present and future;
- 1.2.9 as a fixed charge all benefits in respect of all contracts and policies of insurance (including, for the avoidance of any doubt, all cover notes and any keyman life assurance policies) which are from time to time taken out by the Company or (to the extent of such interest) in which it has an interest;
- 1.2.10 as a floating charge 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; and
- 1.2.11 as a floating charge the undertaking and all other property and assets of the Company both present and future;
- 2 Pursuant to the Funding Agreement, the Company would make available loan facilities of up to £100,000,000 or such other amount as may be agreed to the Purchaser to assist the Purchaser in satisfying its obligations under the Facility Agreement.

3 **Definitions**

Agent: has the meaning given to that term in the Facility Agreement;

Financing Documents: has the meaning given to that term in the Facility Agreement;

Group: means the Purchaser and any of its subsidiaries from time to time and "member of the Group" shall be construed accordingly;

Obligor: means any member of the Group 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 Agent, the Security Trustee and the Secured Parties or any of them for the payment or repayment of any amounts outstanding or capable of becoming outstanding under the Financing Documents;

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 and the Secured Parties under the Financing Documents together with:

- (a) any refinancing, novation, refunding, deferral or extension of or increase in any of those obligations or liabilities of any Obligor under any facility agreement entered into after the date hereof with all or any of the Secured

Parties which is entered into wholly or partially in order to refinance the Secured Liabilities at the date hereof;

- (b) any further obligations and liabilities which may be made by any Secured Party 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;
- (c) all costs, charges and expenses incurred by the Security Trustee or any of the Secured Parties in connection with the protection, preservation or enforcement of its respective rights under the Financing Documents;
- (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 obligations or 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;

Secured Parties: means the Security Trustee, the Agent, the Banks, the Clearing Bank and the Hedging Banks or any of them as the context requires (as each such term, other than the Security Trustee, is defined in the Facility Agreement);

Security Trustee: means The Governor and Company of the Bank of Scotland as agent and trustee for itself and for each of the Secured Parties;

Shares: means the shares listed in the first schedule to the Guarantee and Debenture together with all rights, including dividends and other distributions, arising in relation thereto.

PricewaterhouseCoopers
89 Sandyford Road
Newcastle upon Tyne NE99 1PL
Telephone +44 (0) 191 232 8493
Facsimile +44 (0) 191 261 9490

The Directors
The Expanded Metal Company Limited
c/o Expanet International Limited
Clifton House
83/89 Uxbridge Road
Ealing
London
W5 5TA

28 June 2001

Dear Sirs

Auditors' report to the directors of The Expanded Metal Company Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of The Expanded Metal Company Limited ('the Company') dated 28 June 2001 in connection with the proposal that the Company should give financial assistance as described in Annex 1 of the attached statutory declaration.

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
Chartered Accountants and Registered Auditors