

LWD02

COMPANIES FORM No. 155(6)b

G

CHFP025

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

155(6)b

Please do not
write in this
margin

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

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3128071

Name of company

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

• ERM Limited (the "Company")

* insert full name
of company

X/We See Schedule 1 attached

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

† 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 company established in accordance with the provisions of the Banking Act 1979~~
~~(b) that of a company established in accordance with the provisions of the Companies Act 1985~~
~~(c) that of a company established in accordance with the provisions of the Companies Act 1985~~
in the business of the United Kingdom

(c) something other than the above§

This company is ~~(the)~~ [a] holding company of* ERM Asia Pacific Holdings Limited

(Company number 03067139)

which is

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

in [this company] [

~~X the holding company of the company~~

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

Lovells
65 Holborn Viaduct
London
EC1A 2DY

57 London Chancery Lane
A6/LRP/JG/828380

For official Use
General Section

Post room



L07
COMPANIES HOUSE

0167
27/04/01

LWD02

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

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

The number and class of the shares acquired or to be acquired is: See Schedule 2 attached

The assistance is to be given to: (note 2) ERM Holdings Limited (company number 4067993)
whose registered office is situate at 8 Cavendish Square, London, W1M 0ER

The assistance will take the form of:

See Schedule 3 attached

The person who [has acquired] ~~will acquire~~ the shares is:
ERM Holdings Limited

† delete as
appropriate

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

See Schedule 4 attached

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 £ nil

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

within 8 weeks of the date hereof

X/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)

(a) [I/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)

(b) 1X 2X 3X 4X 5X 6X 7X 8X 9X 10X 11X 12X 13X 14X 15X 16X 17X 18X 19X 20X 21X 22X 23X 24X 25X 26X 27X 28X 29X 30X 31X 32X 33X 34X 35X 36X 37X 38X 39X 40X 41X 42X 43X 44X 45X 46X 47X 48X 49X 50X 51X 52X 53X 54X 55X 56X 57X 58X 59X 60X 61X 62X 63X 64X 65X 66X 67X 68X 69X 70X 71X 72X 73X 74X 75X 76X 77X 78X 79X 80X 81X 82X 83X 84X 85X 86X 87X 88X 89X 90X 91X 92X 93X 94X 95X 96X 97X 98X 99X 100X 101X 102X 103X 104X 105X 106X 107X 108X 109X 110X 111X 112X 113X 114X 115X 116X 117X 118X 119X 120X 121X 122X 123X 124X 125X 126X 127X 128X 129X 130X 131X 132X 133X 134X 135X 136X 137X 138X 139X 140X 141X 142X 143X 144X 145X 146X 147X 148X 149X 150X 151X 152X 153X 154X 155X 156X 157X 158X 159X 160X 161X 162X 163X 164X 165X 166X 167X 168X 169X 170X 171X 172X 173X 174X 175X 176X 177X 178X 179X 180X 181X 182X 183X 184X 185X 186X 187X 188X 189X 190X 191X 192X 193X 194X 195X 196X 197X 198X 199X 200X 201X 202X 203X 204X 205X 206X 207X 208X 209X 210X 211X 212X 213X 214X 215X 216X 217X 218X 219X 220X 221X 222X 223X 224X 225X 226X 227X 228X 229X 230X 231X 232X 233X 234X 235X 236X 237X 238X 239X 240X 241X 242X 243X 244X 245X 246X 247X 248X 249X 250X 251X 252X 253X 254X 255X 256X 257X 258X 259X 260X 261X 262X 263X 264X 265X 266X 267X 268X 269X 270X 271X 272X 273X 274X 275X 276X 277X 278X 279X 280X 281X 282X 283X 284X 285X 286X 287X 288X 289X 290X 291X 292X 293X 294X 295X 296X 297X 298X 299X 300X 301X 302X 303X 304X 305X 306X 307X 308X 309X 310X 311X 312X 313X 314X 315X 316X 317X 318X 319X 320X 321X 322X 323X 324X 325X 326X 327X 328X 329X 330X 331X 332X 333X 334X 335X 336X 337X 338X 339X 340X 341X 342X 343X 344X 345X 346X 347X 348X 349X 350X 351X 352X 353X 354X 355X 356X 357X 358X 359X 360X 361X 362X 363X 364X 365X 366X 367X 368X 369X 370X 371X 372X 373X 374X 375X 376X 377X 378X 379X 380X 381X 382X 383X 384X 385X 386X 387X 388X 389X 390X 391X 392X 393X 394X 395X 396X 397X 398X 399X 400X 401X 402X 403X 404X 405X 406X 407X 408X 409X 410X 411X 412X 413X 414X 415X 416X 417X 418X 419X 420X 421X 422X 423X 424X 425X 426X 427X 428X 429X 430X 431X 432X 433X 434X 435X 436X 437X 438X 439X 440X 441X 442X 443X 444X 445X 446X 447X 448X 449X 450X 451X 452X 453X 454X 455X 456X 457X 458X 459X 460X 461X 462X 463X 464X 465X 466X 467X 468X 469X 470X 471X 472X 473X 474X 475X 476X 477X 478X 479X 480X 481X 482X 483X 484X 485X 486X 487X 488X 489X 490X 491X 492X 493X 494X 495X 496X 497X 498X 499X 500X 501X 502X 503X 504X 505X 506X 507X 508X 509X 510X 511X 512X 513X 514X 515X 516X 517X 518X 519X 520X 521X 522X 523X 524X 525X 526X 527X 528X 529X 530X 531X 532X 533X 534X 535X 536X 537X 538X 539X 540X 541X 542X 543X 544X 545X 546X 547X 548X 549X 550X 551X 552X 553X 554X 555X 556X 557X 558X 559X 560X 561X 562X 563X 564X 565X 566X 567X 568X 569X 570X 571X 572X 573X 574X 575X 576X 577X 578X 579X 580X 581X 582X 583X 584X 585X 586X 587X 588X 589X 590X 591X 592X 593X 594X 595X 596X 597X 598X 599X 600X 601X 602X 603X 604X 605X 606X 607X 608X 609X 610X 611X 612X 613X 614X 615X 616X 617X 618X 619X 620X 621X 622X 623X 624X 625X 626X 627X 628X 629X 630X 631X 632X 633X 634X 635X 636X 637X 638X 639X 640X 641X 642X 643X 644X 645X 646X 647X 648X 649X 650X 651X 652X 653X 654X 655X 656X 657X 658X 659X 660X 661X 662X 663X 664X 665X 666X 667X 668X 669X 670X 671X 672X 673X 674X 675X 676X 677X 678X 679X 680X 681X 682X 683X 684X 685X 686X 687X 688X 689X 690X 691X 692X 693X 694X 695X 696X 697X 698X 699X 700X 701X 702X 703X 704X 705X 706X 707X 708X 709X 710X 711X 712X 713X 714X 715X 716X 717X 718X 719X 720X 721X 722X 723X 724X 725X 726X 727X 728X 729X 730X 731X 732X 733X 734X 735X 736X 737X 738X 739X 740X 741X 742X 743X 744X 745X 746X 747X 748X 749X 750X 751X 752X 753X 754X 755X 756X 757X 758X 759X 760X 761X 762X 763X 764X 765X 766X 767X 768X 769X 770X 771X 772X 773X 774X 775X 776X 777X 778X 779X 780X 781X 782X 783X 784X 785X 786X 787X 788X 789X 790X 791X 792X 793X 794X 795X 796X 797X 798X 799X 800X 801X 802X 803X 804X 805X 806X 807X 808X 809X 810X 811X 812X 813X 814X 815X 816X 817X 818X 819X 820X 821X 822X 823X 824X 825X 826X 827X 828X 829X 830X 831X 832X 833X 834X 835X 836X 837X 838X 839X 840X

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 21/F Lin An House, 939 King's Road Declarants to sign below

Taikeo Place, Island East, Hong
Kong

Day Month Year

on

1	8	0	4	2	0	9
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before me

BERNICE CHENG

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

- 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

SCHEDULES**Financial Assistance Declaration
Section 155(6)b**

ERM Limited (in respect of financial assistance given by ERM Asia Pacific Holdings Limited (the "Subsidiary"))

This is the document "Schedule 1", "Schedule 2", "Schedule 3" and "Schedule 4" referred to in the attached Statutory Declaration.

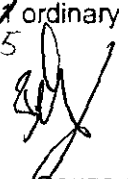
SCHEDULE 1**Names and addresses of all directors**

Robin Bidwell	Flat 8, Devonshire Court, 26a Devonshire Street, London W1N 1RJ
Philip Keller	30 Meadowbank, Ainger Road, Primrose Hill, London NW3 3AY
Carlo Alberto Marcoaldi	Piazzale Libia 7, Milano, 20135, Italy
Tassilo Metternich	Schloss Graffenegg, A-3485 Haitendorf, Austria
Chandran Nair	D3, 9-11 Horizon Drive, Chung Hom Kok, Hong Kong
Peter Regan	121 North Post Oak Lane, Houston, Texas, 77024, USA
Daniel Sevick	1141 Dorset Drive, West Chester, Pennsylvania, 19382, USA
Paul Woodruff	744 South Warren Drive, Malvern, Pennsylvania, 1935534, USA

"Chandran Nair will be signing a separate counterpart of the attached Statutory Declaration but all of the directors intend that the Statutory Declaration and the counterpart be regarded as one and the same Statutory Declaration for the purposes of section 155(6) and section 156 of the Companies Act 1985".

SCHEDULE 2**Number and class of shares acquired**

1,736,471 ordinary shares of £0.05

C. Nair 5 

SCHEDULE 3**Form of financial assistance**

1. The entry by the Subsidiary into a guarantee increase deed (the "**Senior Guarantee Increase Deed**") to a senior credit agreement (the "**Senior Credit Agreement**") dated 28 February 2001 and made between, inter alia, The Governor and Company of the Bank of Scotland, ERM Holdings Limited (the "**Parent**") and the Companies listed as Borrowers and Guarantors and the other financial institutions whereunder the Subsidiary, inter alia,

removes the limitation as to financial assistance on its guarantee (contained within the Senior Credit Agreement and in the accession document by which it acceded to the Senior Credit Agreement (the "**Senior Accession Document**")) as to the punctual performance by, inter alia, the Parent of all its obligations arising under the Senior Finance Documents (as defined in the Senior Credit Agreement).

2. The entry by the Subsidiary into a guarantee increase deed (the "**Mezzanine Guarantee Increase Deed**") to a mezzanine loan agreement (the "**Mezzanine Loan Agreement**") dated 28 February 2001 and made between, inter alia, Intermediate Capital Group Plc and the Parent whereunder the Subsidiary, inter alia, removes the limitation as to financial assistance on its guarantee (contained within the Mezzanine Loan Agreement and in the accession document by which it acceded to the Mezzanine Loan Agreement (the "**Mezzanine Accession Document**")) as to the punctual performance by, inter alia, the Parent of all its obligations arising under the Mezzanine Finance Documents (as defined in the Mezzanine Loan Agreement).
3. The entry by the Subsidiary into the Senior Guarantee Increase Deed and the Mezzanine Guarantee Increase Deed whereunder the Subsidiary, inter alia, confirms the removal of the limitation as to financial assistance on its obligations under a debenture (the "**Debenture**") dated 30 March 2001 in favour of The Governor and Company of the Bank of Scotland (the "**Security Agent**") entered into by the Subsidiary by way of an accession document (the "**Debenture Accession Document**") whereunder the Subsidiary, inter alia, charges, with full title guarantee, by way of fixed and floating charges, all its property, assets and undertaking to secure all present and future obligations and liabilities created under or pursuant to the Senior Finance Documents and/or Mezzanine Finance Documents (whether actual or contingent and whether jointly or severally or in any other capacity) of the companies referred to therein (other than the Security Agent) (the "**Obligors**").
4. The entry by the Subsidiary into the Senior Guarantee Increase Deed and the Mezzanine Guarantee Increase Deed whereunder the Subsidiary, inter alia, confirms the removal of the limitation as to financial assistance on its obligations contained in an intercreditor deed (the "**Intercreditor Deed**") dated 28 February 2001 and made between, inter alia, the Parent, the Senior Lenders, the Mezzanine Lenders and the Investors (all terms as defined in the Intercreditor Deed) entered into by the Subsidiary by way of the Senior Accession Document and the Mezzanine Accession Document whereunder the Subsidiary and its subsidiaries (if any) acknowledge the priorities of security and contractual arrangements made between the parties to the Intercreditor Deed.
5. The entry by the Subsidiary into an intra-group loan agreement (the "**Intra-group Loan Agreement**") whereunder it agrees to lend to the Parent, together with the other companies defined as Lenders therein, an aggregate maximum principal amount of £110,000,000.

SCHEDULE 4

Principal terms on which the financial assistance will be given

1. Pursuant to the Senior Credit Agreement and the Mezzanine Loan Agreement, the Subsidiary will guarantee the obligations of, inter alia, the Parent of all its obligations arising under the Senior Finance Documents and the Mezzanine Finance Documents, give various representations and warranties, undertakings, covenants and indemnities to the Finance Parties and will agree that at any time following the occurrence of an Event of Default which is continuing, any Finance Party may set-off any amount standing to the credit of any Obligor's accounts with that Finance Party to the Obligor against any due

and payable liability owed by the Obligor to the Finance Party (capitalised terms in this paragraph have the meanings given to them in the Senior Credit Agreement and the Mezzanine Loan Agreement).

2. Pursuant to the Debenture, the Subsidiary, subject to any limits on its liability specifically recorded in the Finance Documents, as primary obligor will covenant with the Security Agent (for the benefit of itself and the other Secured Parties) that it will on demand, in writing, made to it by the Security Agent pay the Indebtedness when it falls due for payment. The Subsidiary will secure its obligations under the Debenture by way of first fixed and floating charges over all its undertaking, property and assets present and future. The Subsidiary will covenant not to create or agree to create or permit to subsist any Security Interest over all or any part of the Charged Property or sell, transfer, lease out, lend or otherwise dispose of all or any part of the Charged Property or the right to receive or to be paid the proceeds arising from disposal of the same, or agree or attempt to do so or dispose of the equity of redemption in respect of all or any of the Charged Property, except as permitted by the Senior Credit Agreement and the Mezzanine Loan Agreement or with the prior consent of the Security Agent. The Subsidiary also agrees that it will, at its own expense, promptly following request by the Security Agent, execute such deeds and other agreements and otherwise take whatever action the Security Agent may require:
 - (a) to perfect and/or protect the security created (or intended to be created) by the Debenture;
 - (b) to facilitate the realisation or enforcement of such security;
 - (c) to facilitate the exercise of any of the Security Agent's rights, powers or discretions under the Debenture; and/or
 - (d) to confer on the Security Agent security over any assets of it (in whatever jurisdiction situated) equivalent or similar to the security intended to be conferred by the Debenture;including the conversion of charges to assignments, equitable security to legal security, the execution of any transfer, conveyance, assignment or assurance whatsoever and the giving of all notices, orders, instructions and directions whatsoever (capitalised terms in this paragraph 2 have the meanings given to them in the Debenture).
3. Pursuant to the Intercreditor Deed, the Subsidiary will acknowledge the arrangements made between the parties to the Finance Documents and the Investors (both terms as defined in the Intercreditor Deed) which regulate (inter alia) the ability of the Subsidiary to make certain payments to certain of the secured lenders.
4. Pursuant to the Intra-group Loan Agreement, the Subsidiary will agree to lend to the Parent, together with the other Companies defined as Lenders therein, an aggregate maximum principal amount of £110,000,000 at an interest rate of the Applicable Rate per annum above LIBOR or such other rate as the parties may agree (capitalised terms in this paragraph 4 have the meanings given to them in the Intra-group Loan Agreement). Such amounts to be available to the Parent for the purposes of:
 - (a) making payments when due under the Senior Credit Agreement, the Mezzanine Loan Agreement and the UK Investor Loan Notes (as defined in the Senior Credit Agreement);
 - (b) to pay costs and expenses incurred by the Parent directly or indirectly in connection with the acquisition by the Parent of any shares in the capital of any of the Lenders (as defined therein); and

- (c) to pay any other liability incurred directly or indirectly for the purpose of or otherwise in connection with any such acquisition (including, for the avoidance of doubt, the repayment of any existing indebtedness to the vendor),

in each case where the Parent is obliged or permitted (in accordance with the Senior Credit Agreement, the Mezzanine Loan Agreement and/or the UK Investor Loan Notes (as defined in the Senior Credit Agreement)) to make such payment.

PricewaterhouseCoopers
1 Embankment Place
London WC2N 6RH
Direct Phone +44 (0)20 7212 3991
Direct Fax +44 (0)20 7804 4907

Private and Confidential

The Directors
ERM Limited
8 Cavendish Square
London
W1M 0ER

18 April 2001

Ref: JSJF185d

Dear Sirs

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

We have examined the attached statutory declaration of the directors of ERM Limited ('the Company') dated 18 April 2001 in connection with the proposal that the Company's subsidiary undertaking, ERM Asia Pacific Holdings Limited, should give financial assistance for the purchase of 1,736,47 $\frac{1}{5}$ of ordinary shares of the Company.


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