

G

CHFP025

COMPANIES FORM No. 155(6)b

**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

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

3939828

Name of company

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

* Coppice Group Limited (the "Company")

* insert full name
of company

X/We ~~ø~~ Please see Rider 1

ø 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 recognised bank licensed institution within the meaning of the Banking Act 1979~~ XXXX
(b) ~~that of a company authorised under section 8 of the Companies Act 1982 to carry on~~ XXXX
~~insurance business in the United Kingdom~~ XXXXX
(c) something other than the above§

This company is [the] [x] holding company of* ATP Management Limited
(company number: 1515178) (the "Subsidiary") which is

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

in ~~this company~~ the Company

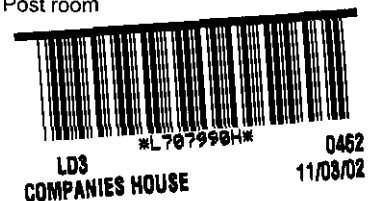
~~the holding company of this company~~ XXXX

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

CMS Cameron McKenna
Mitre House
160 Aldersgate Street
London EC1A 4DD 20156537.02
MQM/OX4055.01043
135316 BARBICAN 2

For official Use
General Section

Post room



The assistance is for the purpose of [that acquisition] ~~reducing or discharging a liability incurred for the purpose of the acquisition~~ (note 1) Please do not write in this margin

The number and class of the shares acquired or to be acquired is: 100,000 ordinary shares of £1 each and 5,500,000 ordinary A redeemable shares of £1 each

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

The assistance is to be given to: (note 2) MELH 888 Limited (company number: 4316677) of Mitre House, 160 Aldersgate Street, London EC1A 4DD ("Newco")

The assistance will take the form of:

Please see Rider 2

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

† delete as appropriate

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

Please see Rider 3

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 £ Please see Rider 4

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

Please see Rider 5

COPPICE GROUP LIMITED

Form 155(6)b

(ATP Management Limited)

Rider 1

John Douglas Hind of 32 Priory Gardens, Stamford, Lincolnshire PE9 2EG

Kenneth Victor Gentry of 1 The Burrows, Porthcawl, Mid Glamorgan CF36 5AJ

COPPICE GROUP LIMITED

Form 155(6)b

Rider 2

Financial assistance will be provided by the Subsidiary to Newco in connection with the acquisition (the "**Acquisition**") by Newco of the entire issued share capital of the Company, being the holding company of the Subsidiary. The financial assistance will take the form of the execution and delivery of the following documents as the same may be amended, varied, supplemented or substituted from time to time:

- (a) a debenture made between the Subsidiary (1) in favour of Lloyds TSB Bank plc (the "**Bank**") (2) (the "**Bank Debenture**");
- (b) an omnibus guarantee and indemnity made between Newco, Coppice Foil Containers Limited, the Company, Harcourt Group Limited, the Subsidiary, Coppice Alupack Limited, Precis (990) Limited (together the "**Obligors**") (1) in favour of the Bank (2) (the "**Bank Guarantee**");
- (c) a debenture to be made between the Subsidiary (1) in favour of Lloyds TSB Development Capital Limited ("**LTSBDC**") in its capacity as security trustee (the "**Security Trustee**") (2) the "**LTSBDC Debenture**";
- (d) a guarantee made, inter alia, between the Subsidiary (1) in favour of the Security Trustee (2) (the "**LTSBDC Guarantee**");
- (e) a debenture made between the Subsidiary (1) in favour of Lloyds TSB Commercial Financial Limited ("**LTSBCF**") (2) (the "**LTSBCF Debenture**");
- (f) a guarantee made, inter alia, between the Obligors (1) in favour of LTSBCF (2) (the "**LTSBCF Guarantee**");
- (g) a funding agreement between the Subsidiary (1) and Newco (2) agreeing a revolving credit facility (the "**Intra-Group Funding Agreement**");
- (h) a deed of priorities between LTSBCF (1), the Bank (2), the Security Trustee (3) and the Obligors (as defined therein) (4) (the "**Deed of Priorities**"); and
- (i) a deed of subordination between the Bank (1), the Security Trustee (2), the Obligors (3), Rutland Trust PLC (4) LTSBDC (5) and the Loan Note Holders (as defined in Rider 3) (6).

The documents detailed at paragraph (a) to (i) above are hereinafter collectively referred to as the "**Documents**".

COPPICE GROUP LIMITED

Form 155(6)b

Rider 3

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

- (a) under the terms of the Bank Debenture, the Subsidiary, inter alia, creates fixed and floating charges over all of its property, assets and undertaking from time to time in order to secure all monies from time to time owing by the Subsidiary to the Bank which includes the obligations under the Bank Guarantee;
- (b) under the terms of the Bank Guarantee, the Subsidiary, inter alia:
 - (i) agrees that the Bank can set off account credit balances of the Subsidiary in satisfaction of any liability owed by any of the other Obligors (as defined in the Deed of Subordination) to the Bank, including liabilities incurred to help fund the Acquisition; and
 - (ii) guarantees to the Bank payment of all monies and liabilities whether actual or contingent which are or at any time may be due, owing or incurred from or by the other Obligors to the Bank, which would include the borrowings of the Parent from the Bank to help fund the Acquisition;
- (c) under the terms of the LTSBDC Debenture, the Subsidiary, inter alia, creates fixed and floating charges over all of its property assets and undertaking from time to time in order to secure all monies from time to time owing by the Subsidiary to the Security Trustee which includes the obligations under the LTSBDC Guarantee ;
- (d) under the terms of the LTSBDC Guarantee, the Subsidiary, inter alia, guarantees to the Security Trustee payment of all monies from time to time owing by the Parent to the Security Trustee under a loan note instrument (the "**Loan Note Instrument**") issued by Newco pursuant to which the loan note holders (the "**Loan Note Holders**") agree to subscribe for up to £6,500,000 subordinated guaranteed secured loan notes 2009 (the "**Loan Notes**"). The LTSBDC Guarantee also includes set-off provisions permitting the Security Trustee to set-off any sums received by it against any liabilities due and owing by the Subsidiary to the Security Trustee;
- (e) under the terms of the LTSBCF Debenture, the Subsidiary, inter alia, creates fixed and floating charges over all of its property, assets and undertaking from time to time in order to secure all the obligations owing by the Subsidiary to LTSBCF which includes the obligations under the LTSBCF Guarantee;
- (f) under the terms of the LTSBCF Guarantee, the Subsidiary, inter alia, guarantees to LTSBCF payments of all money from time to time owed by the Obligors (other than the Company) to LTSBCF which includes the obligations under the a

debt purchase agreement made between LTSBCF (1) and Coppice Alupack Limited (2) (the “**Debt Purchase Agreement**”);

- (g) under the terms of the Intra-Group Funding Agreement, the Obligors (other than Newco) agree to provide a revolving credit facility to Newco in such amounts as may be required from time to time and Newco agrees to provide working capital facilities to the Subsidiary in such amounts as may be required from time to time;
- (h) under the terms of the Deed of Priorities, the Subsidiary, inter alia, acknowledges the order of priorities with regard to certain security granted by the Subsidiary to the Bank, LTSBCF and the Security Trustee; and
- (i) under the terms of the Deed of Subordination the Subsidiary, inter alia, undertakes not (save as therein provided) to secure, discharge or acquire all or part of certain debts owing.

COPPICE GROUP LIMITED

Form 155(6)b

Rider 4

The amount of cash to be transferred to the person assisted is:

All sums advanced from time to time by the Subsidiary pursuant to the Intra-Group Funding Agreement.

COPPICE GROUP LIMITED

Form 155(6)b

Rider 5

The date on which the assistance is to be given is:

Within eight weeks of signing this statutory declaration.



KPMG Audit Plc

2 Cornwall Street
Birmingham
B3 2DL
United Kingdom

Tel +44 (0) 121 232 3000
Fax +44 (0) 121 232 3500
DX 709850 Birmingham 26
E-mail wayne.causon@kpmg.co.uk

The Directors
Coppice Group Limited
Rutland House
Rutland Gardens
London
SW7 1BX

Our ref Mk/ts/p/lum/reports/let/007d

Contact Wayne Causon
01908 844990

7 March 2002

Dear Sirs

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

We have examined the attached statutory declaration of the directors dated 7 March 2002 in connection with the proposal that ATP Management Limited, of which this company is a holding company, should give financial assistance for the purchase of this company's entire share capital. We have enquired into the state of the company's affairs in order to review the bases for the statutory declaration.

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

KPMG Audit Plc

KPMG Audit Plc
Registered Auditors



KPMG Audit Plc, a company
incorporated under the UK Companies
Acts, is a member of KPMG
International, a Swiss association

KPMG Audit Plc is
registered to carry on audit
work by the Institute of
Chartered Accountants in

England and Wales.
Registered in England
No 3110745

Registered office
8 Salisbury Square
London EC4Y 8BB