

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

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

04167030

Name of company

*
Doncasters Group Limited

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

*Insert full name
of company

~~I/We~~ ☒ We ☐ ~~ø~~

Eric James Lewis, Rowan House, 32 Nursery Lane, Hopwas, Tamworth, Staffordshire, B78 3AS
Michael John Schurch, 1 Aldersey Road, Guildford, Surrey, GU1 2ER

~~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:

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~~ ~~xx~~
~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry~~ ~~xxxx~~
~~on insurance business in the United Kingdom~~ ~~xx~~
(c) something other than the above ~~§~~

The company is ~~the~~ [a] holding company of * IEP Structures Limited (Company
number 00818769) (the *Subco*)

which is

proposing to give financial assistance in connection with the acquisition of shares
in [this company]

~~the holding company of this company~~ ~~xx~~

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

FRESHFIELDS BRUCKHAUS
DERINGER
65 FLEET STREET, LONDON
ENGLAND
UNITED KINGDOM EC4Y 1HS
DX 23 LONDON/CHANCERY LANE

For official Use (10/03)
General Section

Post room



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:

Ordinary A1 - 566,400 of £1

Ordinary A2 - 5,097,600 of £1

Ordinary B - 1,019,186 of £0.00001

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

Dundee Holdco 4 Limited (Company Number 05651583)

The assistance will take the form of:

Please see attachment 1

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

†Delete as
appropriate

Dundee Holdco 4 Limited (Company Number 05651583)

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

Please see attachment 2

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 attachment 3

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

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

The date on which the assistance is to be given is within 8 weeks of today's date

~~/~~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) ~~/~~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) ~~It is intended to commence the winding up of this company within 12 months of that date, and /we have formed the opinion that this company will be able to pay its debts in full within 12 months of the commencement of the winding up.~~ (note 3)

And ~~/~~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 65 Fleet Street
London EC4Y 1HS

Declarants to sign below

on Day Month Year
0 2 0 5 2 0 0 6

before me

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

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 auditor's 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

DX 33050 Cardiff

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

DX 235 Edinburgh
or LP-4 Edinburgh 2

The assistance will take the form of the execution, delivery and performance of the documents identified at paragraphs (a) to (g) and (l) together with the execution, delivery and performance of the documents (if any) listed in the remaining paragraphs below to which the Subco is a named party and in the case of the loan documents particularised in paragraphs (n), (o) and (p) as a lender:

- (a) the terms of a £367,000,000 Senior Facilities Agreement dated 17 February 2006 and made between, *inter alios*, Dundee Holdco Limited (as the Parent), the companies listed therein as Original Borrowers and Original Guarantors, the financial institutions listed therein as Original Lenders, Bayerische Hypo- und Vereinsbank AG, London Branch, The Royal Bank of Scotland plc and Allied Irish Banks p.l.c. (as Joint Mandated Lead Arrangers) and The Royal Bank of Scotland plc (as Facility Agent, Security Agent and Issuing Bank) (the **Senior Facilities Agreement**) under which the Obligors will grant guarantees and indemnities to the Senior Finance Parties (as each term is defined in the Senior Facilities Agreement);
- (b) the terms of the accession letter entered into on or about the Closing Date by the Subco pursuant to Clause 31.4 (*Additional Guarantors*) and Schedule 2 Part 3 (*Conditions Precedent required to be delivered by an Additional Obligor*) of the Senior Facilities Agreement (the **Senior Accession Letter**) under which the Subco will grant guarantees and indemnities to the Senior Finance Parties (as each term is defined in the Senior Facilities Agreement);
- (c) the terms of a £124,000,000 Mezzanine Facility Agreement dated 17 February 2006 and made between, *inter alios*, Dundee Holdco Limited as Parent, Dundee Holdco 3 Limited (as the Borrower), the companies listed therein as Original Guarantors, the financial institutions listed therein as Lenders, The Royal Bank of Scotland plc, Bayerische Hypo- und Vereinsbank AG, London Branch and Allied Irish Banks p.l.c. as Mezzanine Arrangers and The Royal Bank of Scotland plc (as Mezzanine Facility Agent and Security Agent) (the **Mezzanine Facility Agreement**) under which the Subco will grant guarantees and indemnities to the Mezzanine Finance Parties (as each term is defined in the Mezzanine Facility Agreement);
- (d) the terms of the accession letter entered into on or about the Closing Date by the Subco pursuant to Clause 26.2 (*Additional Guarantors*) and Schedule 2 Part 3 (*Conditions precedent required to be delivered by an Additional Guarantor*) of the Mezzanine Facility Agreement (the **Mezzanine Accession Letter**) under which the Subco will grant guarantees and indemnities to the Mezzanine Finance Parties (as each term is defined in the Mezzanine Facility Agreement) (the Mezzanine Accession Letter together with the Senior Accession Letter, the **Accession Letters**);

- (e) the terms of the English law debenture to be entered into by the Subco on or about the Closing Date pursuant to the terms of the Senior Facilities Agreement and the Mezzanine Facility Agreement (together the **Facility Agreements**) in favour of The Royal Bank of Scotland plc as Security Agent (the **Debenture**) under which the Subco will grant fixed and floating charges over all its assets and undertakings present and future by way of security for its obligations under the Facility Agreements;
- (f) the terms of the intercreditor deed to be entered into on or about the Closing Date and made between, *inter alios*, Dundee Holdco Limited, Dundee Holdco 2 Limited, the Original Borrowers, Original Guarantors, Senior Lenders, Mezzanine Lenders and Intra-Group Creditors as listed therein, The Royal Bank of Scotland plc as Senior Agent, Mezzanine Agent and Security Agent, the Hedging Banks (upon accession), and certain others (the **Intercreditor Deed**) (as each term is defined in the Intercreditor Deed) whereby the Subco enters into priority and subordination arrangements;
- (g) the terms of certain interest rate hedging agreements (including without limitation any ISDA Master Agreements and related confirmations) to be entered into by Doncasters Group Limited and/or certain other group companies under the Facility Agreements including the Subco to the extent that the Subco is a party (the **Hedging Agreements**);
- (h) the terms of an amendment agreement made between, *inter alios*, Dundee Holdco 4 Limited and the Royal Bank Investments Limited, RBDC Administrator Limited (the **SPA Amendment Agreement**) under which the Acquisition Agreement (as such term is defined in the Senior Facilities Agreement) is amended, *inter alia*, to permit Doncasters Limited to make a bonus payment to the Senior Management of the Group (as defined in the Acquisition Agreement);
- (i) the terms of the US Security Agreement between *inter alios*, Doncasters International Limited, Doncasters Inc, Doncasters LLC, PED Manufacturing Ltd, Ross Catherall US Holdings, Inc., Trucast, Inc., Doncasters Alabama Inc., Certified Alloy Products, Inc., Southern Tool Inc., Doncasters Limited, Dundee Holdco 4 Limited and Dundee Holding Inc. in favour of The Royal Bank of Scotland plc to secure, *inter alia*, US intellectual property of Doncasters Limited and granting of pledge over shares Doncasters International Limited holds in Doncasters LLC (the **US Security Agreement**);
- (j) a short form US IP Assignment between, *inter alios* Doncasters Limited and The Royal Bank of Scotland plc evidencing the US intellectual property secured by the US Security Agreement (the **US IP Assignment**);
- (k) the terms of the Security Assignment of Intellectual Property Rights between, *inter alios* Doncasters Limited, Doncasters Precision Castings –Bochum GmbH and The Royal Bank of Scotland plc to secure German intellectual property rights of Doncasters Limited (the **German IP Agreement**);

- (l) the terms of the company intra-group loan agreement between Dundee Holdco 4 Limited and Dundee Holdco 3 Limited as borrowers and the Subco and certain other group companies as lenders pursuant to which those group companies have or will make available a facility to Dundee Holdco 4 Limited and Dundee Holdco 3 Limited to enable them to service their obligations under the Facility Agreements (the **Company Intra-Group Loan Agreement**);
- (m) the terms of a promissory loan note (the **Promissory Loan Note**) issued by Dundee Holding, Inc. to Ross Catherall (US Holdings) Limited as consideration for the transfer of shares in Ross Catherall (US Holdings), Inc. to Dundee Holding, Inc. (the **US Share Sale**) and, if and to the extent constituting financial assistance, the terms of the contracts recording (i) such US Share Sale and (ii) the sale by Doncasters International Limited to Dundee Holdco GmbH of the shares in Doncasters GmbH (the **German Share Sale**);
- (n) the terms of the intra-group loan between Doncasters International Limited as Lender and Doncasters Limited as Borrower to repay existing financial indebtedness dated on or before the Closing Date (the **Doncasters Loan**);
- (o) the terms of the intra-group loan between Doncasters International Limited as Lender and Leatherbay Limited as Borrower to repay existing financial indebtedness dated on or before the Closing Date (the **Second Doncasters Loan**);
- (p) the terms of the intra-group loan between Ross Catherall (US Holdings) Limited as Lender and Doncasters Limited as Borrower to repay existing financial indebtedness dated on or before the Closing Date (the **RC Loan**) together with the Facility Agreements, the Accession Letters, the Intercreditor Deed, the Debenture, the US Security Agreement, the Hedging Agreements, the SPA Amendment Agreement, US IP Assignment, the German IP Agreement, the Company Intra-Group Loan Agreement, the Promissory Loan Note, the Doncasters Loan, the Second Doncasters Loan and the RC Loan to which the Subco is a party (the **Agreements**); and

by the performance of any other acts (including, without limitation, the payment of all fees (the **Fees**) to professionals, third parties and others in connection with the Acquisition) or the execution of any other documents (as the same shall be amended, supplemented, novated and/or replaced from time to time) ancillary or otherwise relating to the Agreements.

Terms defined in Attachment 1 shall have the same meaning in Attachment 2.

Paragraphs 5, 6, 7, 9, 10, 11, 12 and 13 only apply if the Subco is Doncasters International Limited, Doncasters Limited or Ross Catherall (US Holdings) Limited.

1. By executing Accession Letters thereby acceding to the Senior Facilities Agreement and the Mezzanine Facility Agreement, the Subco irrevocably and unconditionally jointly and severally:

- (a) guarantees to each Finance Party punctual performance by each other Obligor of all that Obligor's obligations under the Finance Documents;
- (b) undertakes with each Finance Party that whenever another Obligor does not pay any amount when due under or in connection with any Finance Document, the Subco must immediately on demand pay that amount as if it was the principal obligor;
- (c) indemnifies each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by the Subco is or becomes unenforceable, invalid or illegal; and
- (d) undertakes to permit a Finance Party to set off any material obligations due from an Obligor against any material obligation owed by the Finance Party.

Defined terms used in this Appendix have the meaning given to them in the Senior Facilities Agreement, the Mezzanine Facility Agreement or the Intercreditor Deed (as the case may be).

2. By executing the Intercreditor Deed the Subco will covenant to pay the amounts owing under the Finance Documents and will agree to the order of ranking and priority for the repayment of the Indebtedness and subordination of the Intra-Group Debt. In particular the Subco as an Obligor will indemnify each Hedging Bank in respect of payment in full of the Hedging Debt.

3. By executing the Debenture in favour of The Royal Bank of Scotland plc as Security Agent (the **Security Agent**) the Subco (amongst other things):

- (a) as primary obligor covenants with the Security Agent that it will on demand pay the Indebtedness which is due and unpaid;
- (b) as beneficial owner and with full title guarantee charges in favour of the Security Agent all its assets and undertakings by way of fixed and/or floating charges and/or assignment by way of security for the payment, discharge and performance of such outstandings;

- (c) undertakes to, at its own expense, promptly following request by the Security Agent do all such acts, execute such deeds and other documents and otherwise take whatever action the Security Agent may require for perfecting or protecting the security intended to be created by the Debenture over the assets secured thereby;
- (d) permit the Security Agent and each Secured Party to set off any matured obligations due from the Subco against any matured obligation owed by that Secured Party to the Subco, regardless of the place of payment, booking branch or currency of either obligation.

Indebtedness means all money or liabilities due, owing or incurred to any Secured Party by the Subco as Charging Company or any other Obligor under any Senior Finance Document or Mezzanine Finance Document at present or in the future, in any manner whether actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing thereon and including all liabilities in connection with any notes, bills or other instruments accepted by any Secured Party for or at the request of an Obligor and all losses incurred by any Secured Party in connection therewith except for any money or liability which, if it were so included, would cause the infringement of section 151 of the Companies Act 1985.

Defined terms used in the above paragraph have the meaning given to them in the Debenture.

4. By executing the Hedging Agreements Doncasters Group Limited and/or certain other group companies including the Subco to the extent that the Subco is a party will, *inter alia*, hedge interest rate exposures in relation to the facilities provided under the Facility Agreements.

5. Pursuant to the execution of the SPA Amendment Agreement by Dundee Holdco 4 Limited, Doncasters Limited will pay monies through its payroll as a bonus to the Senior Management of the Group (as defined in the Acquisition Agreement) thereby reducing the consideration payable by Dundee Holdco 4 Limited for the purchase of Doncasters Group Limited.

6. By executing the German IP Agreement Doncasters Limited charges the intellectual property rights it owns in Germany to the Finance Parties.

7. By executing the US Security Agreement Doncasters International Limited pledges the shares it holds in Doncasters LLC and Doncasters Limited pledges the intellectual property it owns in the United States to the Finance Parties evidenced by the US IP Assignment.

8. By executing the Company Intra-Group Loan Agreement the Subco, together with other subsidiaries of Doncasters Group Limited, will make available monies to, *inter alios*, Dundee Holdco 4 Limited and Dundee Holdco 3 Limited to make payments when due to *inter alios* the Finance Parties but on the basis that the Subco will only be obliged to make advances under the Company Intra-Group Loan

Agreement if, *inter alia*, it has the cash resources and the Subco is not in liquidation or administration or the subject of a creditors voluntary agreement.

9. The Promissory Loan Note records the terms on which £89,350,000 (or its US dollar equivalent) is left outstanding owing by Dundee Holding, Inc. to Ross Catherall (US Holdings) Limited. The contract for the US Share Sale records the sale of certain shares in Ross Catherall (US Holdings), Inc. by Ross Catherall (US Holdings) Limited as vendor to Doncasters LLC for (approximately) £72,900,000 (or its US dollar equivalent).

10. The contract recording the German Share Sale records the sale of the shares in Doncasters GmbH by Doncasters International Limited to Dundee Holdco GmbH for the cash sum of (approximately) £75,700,000 (or its euro equivalent).

11. By executing the Doncasters Loan Doncasters International Limited agrees to lend monies referred to in paragraph (a)(i) of Attachment 3 to Doncasters Limited to repay existing financial indebtedness whether directly or indirectly in whole or in part.

12. By executing the Second Doncasters Loan Doncasters International Limited agrees to lend Leatherbay Limited the sum referred to in paragraph (a)(ii) of Attachment 3 to enable Leatherbay Limited to repay existing financial indebtedness whether directly or indirectly in whole or in part.

13. By executing the RC Loan Ross Catherall (US Holdings) Limited agrees to lend Doncasters Limited the sum referred to in paragraph (b) of Attachment 3 to enable Doncasters Limited to repay the existing financial indebtedness whether directly or indirectly in whole or in part.

14. The Subco's obligations as described above continue in relation to the Finance Documents and Agreements as they may be amended, modified, varied or restated from time to time.

Terms defined in Attachments 1 and 2 shall have the same meaning in Attachment 3.

Paragraphs (a) and (b) are only applicable if the Subco is Doncasters International Limited or Ross Catherall (US Holdings) Limited.

Such amounts as the Subco may be required to advance in accordance with the Company Intra-Group Loan Agreement and:

- (a) for Doncasters International Limited only (i) approximately £18,871,116 or such other amount as is determined in accordance with clause 2 of the Doncasters Loan and (ii) approximately £56,828,884 or such other sum as is determined in accordance with clause 2 of the Second Doncasters Loan; and
- (b) for Ross Catherall (US Holdings) Limited approximately £89,350,000 or such other sum as is determined in accordance with clause 2 of the RC Loan.

PricewaterhouseCoopers LLP
Cornwall Court
19 Cornwall Street
Birmingham B3 2DT
Telephone +44 (0) 121 265 5000
Facsimile +44 (0) 121 232 2725
www.pwc.com/uk

The Directors
Doncasters Group Limited
28-30 Derby Road
Melbourne
Derbyshire DE73 8FF

Ref: 1W

2 May 2006

Dear Sirs

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

We have examined the attached statutory declaration of the directors of Doncasters Group Limited (the "Company") dated 2 May 2006 in connection with the proposal that the Company's subsidiary undertaking, IEP Structures Limited, should give financial assistance for the purchase of all of the issued share capital of the Company. 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.

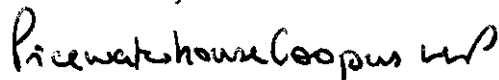
Basis of opinion

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
Chartered Accountants and Registered Auditors