

Company No 05419451



**THE COMPANIES ACTS 1985 AND 1989**

**PRIVATE COMPANY LIMITED BY SHARES**

**RESOLUTION IN WRITING**

of

**IDEAL STELRAD GROUP LIMITED**  
**(the "Company")**

Terms not otherwise defined in this resolution shall have the meaning given to them in the Documents (as defined below)

Pursuant to section 381A of the Companies Act, we, being the all the members of the Company who, at the date of this resolution, are entitled to receive notice and attend and vote at a general meeting of the Company, hereby resolve as follows

**SPECIAL RESOLUTION**

- 1 **THAT**, subject to compliance with sections 155 to 158 of the Companies Act 1985 (the "Act"), the giving by Caradon Radiators Bidco2 Limited, Stelrad Limited, Keston Holdings Limited and Keston Boilers Limited (each a "Financial Assistance Subsidiary" and together the "Financial Assistance Subsidiaries") of financial assistance for the purpose of, where applicable

1.1.1 assisting ISG Holdings Limited ("ISG Holdings Limited") in its purchase of the entire issued share capital of the Company (the "Acquisition"), and

1.1.2 refinancing both

- (a) the original acquisition by Bandwood Limited ("Bandwood") of Caradon Radiators Holding Limited and Caradon Boilers Holding Limited (the "Original Acquisition"), and
- (b) the intermediate acquisition by Caradon Boilers Bidco3 Limited of Keston Holdings Limited and Keston Boilers Limited (the "Intermediate Acquisition"),

(together the "Refinance"),

by, amongst other things, the giving of guarantees and security and the entering into of subordinated and upstream loan arrangements pursuant to the Documents (defined below), as more fully set out in the statutory declarations sworn by the directors of the

Company pursuant to section 155(6) of the Act on 19 April 2007 and produced to the meeting be approved

2 **THAT** the execution, delivery and performance by the Financial Assistance Subsidiaries of

2.1.1 accession agreements to be entered into on or about the date hereof whereby each Financial Assistance Subsidiary accedes to

- (a) a senior facilities agreement dated 4 April 2007 between, amongst others, Bandwood, Termo Teknik Ticaret ve Sanayi A S, The Royal Bank of Scotland plc (as arranger, agent, security agent and issuing bank), BNP Paribas (as arranger) and the Lenders defined therein, (the "**Senior Facilities Agreement**") pursuant to which the Financial Assistance Subsidiary will provide a guarantee and indemnity in respect of the obligations of each Obligor under the Senior Facilities Agreement and the other Finance Documents (as defined in the Senior Facilities Agreement),
- (b) a mezzanine facility agreement dated 4 April 2007 between, amongst others, Bandwood, The Royal Bank of Scotland plc (as mezzanine agent and mezzanine arranger), BNP Paribas (as mezzanine arranger) and the Mezzanine Lenders defined therein ("**Mezzanine Lenders**") (the "**Mezzanine Facility Agreement**") pursuant to which the Financial Assistance Subsidiary will provide a guarantee and indemnity in respect of the obligations of each Obligor under the Mezzanine Facility Agreement and the other Finance Documents (as defined in the Mezzanine Facility Agreement),
- (c) an intercreditor deed (the "**Intercreditor Deed**") dated 4 April 2007 between, amongst others, the Material Subsidiaries (as defined in the Senior Facilities Agreement), Ideal Stelrad Limited, The Royal Bank of Scotland plc (as arranger, agent and security agent), BNP Paribas (as arranger) and others pursuant to which the Financial Assistance Subsidiary will (amongst other things) covenant to pay the amount owing under the Finance Documents, certain Obligors will subordinate their right to repayment of monies due in certain circumstances and pursuant to which the Financial Assistance Subsidiary agrees to the ranking of priority between certain creditors of the Obligors, and

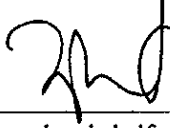
2.1.2 a debenture to be entered into on or about the date hereof between, amongst others, the Company, the Financial Assistance Subsidiaries and The Royal Bank of Scotland plc (as security agent), pursuant to which the Company and each Financial Assistance Subsidiary charges its assets and undertaking as security for the obligations of each Obligor under the Senior Facilities Agreement, the Mezzanine Facility Agreement and the other Finance Documents (as defined in the Senior Facilities Agreement) and Mezzanine Finance Documents (as defined in the Mezzanine Facility Agreement),

- 213 an intercompany loan agreement to be entered into on or about the date hereof between, amongst others, the Company and each of the Financial Assistance Subsidiaries (as lenders) and Bandwood Limited (as borrower),
- 214 in the case of Keston Boilers Limited a Romanian Share Pledge over all the shares it holds in Celsius 2000 srl and Thermo Services srl required pursuant to the terms of the Senior Facilities Agreement and the Mezzanine Facility Agreement,
- 215 in the case of Caradon Radiators Bidco2 Limited, a share pledge over all the shares in Termo Teknik Ticaret ve Sanayi A S to be entered into on or about the date hereof between Caradon Radiators Bidco2 Limited and The Royal Bank of Scotland plc (as Security Agent) (the "**Turkish Share Pledge**") which was required pursuant to the terms of the Senior Facilities Agreement and the Mezzanine Facility Agreement,
- 216 in the case of Caradon Radiators Bidco2 Limited and Stelrad Limited a share pledge to be entered into on or about the date hereof between Caradon Radiators Bidco2 Limited, Stelrad Limited and The Royal Bank of Scotland plc (as Security Agent) (the "**Belgian Share Pledge**") pursuant to which Caradon Radiators Bidco2 Limited and Stelrad Limited pledge all of the shares each holds in Henrad N V as security for the obligations of each Obligor under the Senior Facilities Agreement and the Mezzanine Facility Agreement and the other Finance Documents (as defined in the Senior Facilities Agreement) and Mezzanine Finance Documents (as defined in the Mezzanine Facility Agreement),
- 217 in the case of Caradon Radiators Bidco2 Limited, a share pledge over all the shares in Caradon Stelrad B V to be entered into between Caradon Radiators Bidco2 Limited and The Royal Bank of Scotland plc (as Security Agent) (the "**Dutch Share Pledge**") which was required pursuant to the terms of the Senior Facilities Agreement and the Mezzanine Facility Agreement

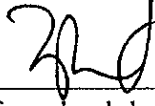
(each a "**Document**" and together the "**Documents**"), be approved, even though, in respect of borrowed funds used to assist ISG Holdings Limited with the Acquisition and funds used to assist with the Refinance, the execution, delivery and performance of the each of those Documents, along with the payment by the Company of the professional fees of its auditors incurred in the production of their report required under Section 156(4) of the Act and the payment by the Company of any and all transaction costs related to the Acquisition including, but not limited to, the professional fees of its auditors not related to the production of their report under Section 156(4) of the Companies Act 1985, constitutes financial assistance for the purpose of the Acquisition and Refinance

Dated 25 April 2007

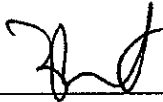
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**Warburg Pincus Private Equity VIII L.P**

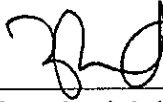
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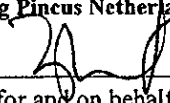
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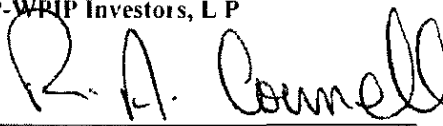
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Dated \_\_\_\_\_ April 2007

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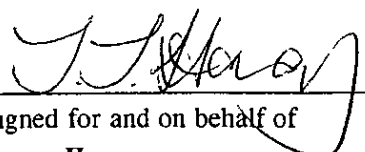
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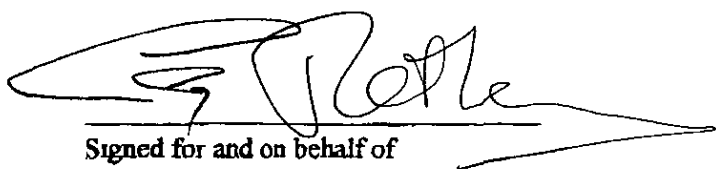
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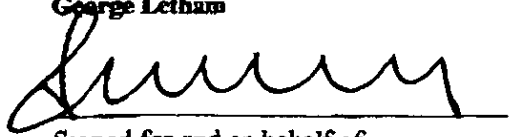
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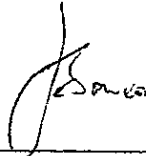
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Signed

  
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**Paul Massey**

Signed



Signed for and on behalf of  
Jeff Bowes

We hereby certify this  
to be a true copy of the  
original

Signed Clifford Chance LLP  
Clifford Chance LLP  
10 Upper Bank Street  
London E14 5JJ



ALL INFORMATION CONTAINED  
HEREIN IS UNCLASSIFIED  
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