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bold block lettering**

To the Registrar of Companies  
(Address overleaf - Note 5)

For official use

Company number

04568583

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

Name of company

\* Millenco Holdings Limited

\* insert full name  
of company

~~XWe~~ See Appendix 1

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

† delete as appropriate

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

The business of the company is:

§ delete whichever  
is inappropriate

[illegible][illegible][illegible]

(c) something other than the above\$

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

~~XXXXXX~~ [company's holding company      Paddock Fabrications Limited (3697765)

The assistance is for the purpose of [that acquisition] ~~reducing or discharging a liability incurred for the~~

XXXXXXXXXXKXKXXXXXXX

The number and class of the shares acquired or to be acquired is: 55,000 Ordinary Shares of  
£1 each

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

Eversheds LLP  
115 Colmore Row  
Birmingham  
B3 3AL

DX13004      Birmingham  
891052

For official Use  
General Section

Post room



**A14** **\*A3K**  
**COMPANIES HOUSE**

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02/02/2006

The assistance is to be given to: (note 2) Paddock Holdings Limited  
(05667992) whose registered office is at Fryers Road, Bloxwich, Walsall, WS2 7NF

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The assistance will take the form of:

See Appendix 2

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

† delete as  
appropriate

Paddock Holdings Limited (05667992)

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

See Appendix 3

The amount of cash to be transferred to the person assisted is £ See Appendix 4

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 the date hereof

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legibly, preferably  
in black type, or  
bold block lettering

\* delete either (a) or  
(b) as appropriate

~~X~~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) ~~X~~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 ~~X~~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 ~~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

EVERSHOES, 115 Colmore Row  
BIRMINGHAM

Day Month Year

on 

27	01	2006
----	----	------

Declarants to sign below

[Signature]  
W H F C S

before me Catherine J Goad

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 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

Appendix 1 to Form 155(6)a

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**Names and Addresses of all Directors of MILLENCO HOLDINGS LIMITED (number 04568583)**

Nigel Hutchinson

1 Penkside  
Coven  
Wolverhampton  
WV9 5BL

Mark Burnhope

113 Stafford Road  
Bloxwich  
Walsall  
WS3 3PG

en  
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GTC

Appendix 2 to Form 155(6)a

**The form of the financial assistance to be given by MILLENCO HOLDINGS LIMITED  
(number 04568583)**

The entering into by the Company of the documents listed and described below (or of documents referred to therein or relating thereto) as the same may be amended, increased, novated and/or replaced, varied, supplemented or substituted from time to time, which will be entered into, directly or indirectly, in connection with (i) **the transfer of the whole of the issued share capital of the Company's holding company Paddock Fabrications Limited (company registration number 3697765) (in this declaration referred to as the "Target")** by its present shareholders Robert Milne, Ian Harvey and Richard Harvey (together the **"Seller"**) to Paddock Holdings Limited (the **"Buyer"**) pursuant to a Sale and Purchase Agreement dated January 2006 and made between the Seller and the Buyer (the **"Acquisition"**) and (ii) the previous acquisition of the whole of the issued share capital of the Company by Target (the **"Original Acquisition"**):

1. A composite guarantee (the **"Senior Guarantee"**) to be made between the Buyer, the Target, the Subsidiaries and the Lender pursuant to which the Buyer and each other member of the Group will guarantee to the Lender all monies, liabilities and obligations of the Buyer and any other member of the Group (from time to time) including sums due in connection with the Acquisition and the discharge of liabilities incurred in connection with the Original Acquisition (the **"Senior Guarantee Obligations"**);
2. A composite guarantee (the **"First Invoice Discounting Guarantee"**) to be made between the Buyer, the Target, Millenco Holdings Limited and Millenco Hardware Limited and the Invoice Discounting Lender pursuant to which the Buyer and each other party will guarantee to the Invoice Discounting Lender all monies, liabilities and obligations of Target including sums due in connection with the Acquisition and the discharge of liabilities incurred in connection with the Original Acquisitions (the **"First Invoice Discounting Guarantee Obligations"**);
3. A composite guarantee (the **"Second Invoice Discounting Guarantee"**) to be made between the Buyer, the Target, Millenco Holdings Limited and Millenco Hardware Limited and the Invoice Discounting Lender pursuant to which the Buyer and each other party will guarantee to the Invoice Discounting Lender all monies, liabilities and obligations of Millenco Hardware Limited including sums due in connection with the Acquisition and the discharge of liabilities incurred in connection with the Original Acquisitions (the **"Second Invoice Discounting Guarantee Obligations"**);
4. A debenture (the **"Debenture"**) to be made by the Company in favour of the Lender granting fixed and floating charges over substantially all the assets and undertaking of the Company securing, inter alia, any liability of the Company to the Lender including the Senior Guarantee Obligations;
5. An intra-group funding agreement (the **"Intra-Group Funding Agreement"**) to be made between the Buyer and the Target and each other member of the Group pursuant to which monies may be loaned to or borrowed by each member of the Group or otherwise transferred within the Group; and

6. An inter-creditor agreement (the **"Inter-creditor Agreement"**) to be made between each Group Company, the Lenders, the Sellers and the Investors (as defined therein) containing terms and conditions regulating certain rights between the parties thereto, including in respect of the payment of monies by the Buyer, the Target and each other member of the Group.

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## Definitions

In this declaration, unless otherwise defined above, defined terms have the meanings given to them below:

- "Facilities"** means the Senior Facility and the Invoice Discounting Facility.
- "Facilities Agreements"** means the Senior Facilities Agreement and the Invoice Discounting Agreement.
- "Group"** means the Buyer, the Target and the Subsidiaries and any other subsidiaries of the Buyer who accede to the Senior Facilities Agreement.
- "Invoice Discounting Agreements"** means together the invoice discounting agreements between the Invoice Discounting Lender and each of the Target and Millenco Hardware Limited relating to the Invoice Discounting Facilities.
- "Invoice Discounting Facilities"** means together the confidential invoice discounting facility in the maximum aggregate principal amount of £5,500,000 to be made available by the Invoice Discounting Lender to the Target and the confidential invoice discounting facility in the maximum aggregate principal amount of £1,500,000 to be made available by the Invoice Discounting Lender to Millenco Hardware Limited for the purpose of financing, directly or indirectly, the balance of the purchase price payable to the Seller for the purpose of the Acquisition, to discharge costs and expenses in connection with the Acquisition and to finance short term working capital requirements.
- "Invoice Discounting Guarantee Obligations"** means together the First Invoice Discounting Guarantee Obligations and the Second Invoice Discounting Guarantee Obligations.
- "Invoice Discounting Lender"** means RBS Invoice Finance Limited.
- "Lender"** means The Royal Bank of Scotland plc acting as agent for National Westminster Bank plc.
- "Senior Facility"** means a £9,950,000 facility comprising a term loan in the maximum aggregate principal amount of £9,950,000 to be made

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available by the Lender to the Buyer and to be used in financing part of the purchase price payable to the Seller for the Acquisition and in part towards the discharge of costs and expenses in connection with the Acquisition.

**"Senior Facilities Agreement"** means a facilities agreement to be entered into between the Buyer and the Lender relating to the Senior Facility.

**"Subsidiaries"** means the Company, Millenco Hardware Limited (03075676), Madeley & Glaze Limited (1121353), Willenhall Engineering Limited (3060098) and Lockstock (Walsall) Limited (2265100) (and individually a **"Subsidiary"**).

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**Appendix 3 to Form 155(6)a**

**Principal terms on which Financial assistance will be given by the Company**

Terms defined in Appendix 2 have the same meaning in this Appendix 3 unless otherwise defined

1. By executing the Senior Guarantee the Company will:
  - 1.1 guarantee as principal obligor and not merely as surety the prompt discharge by each relevant obligor of all obligations to the Lender including under the Senior Facilities Agreement and the other finance and security documents referred to therein (the "**Senior Finance Documents**") and the payment of all sums payable under or in connection with the Senior Finance Documents as and when the same shall become due together with interest and expenses thereon (including sums due from the Buyer in connection with the Acquisition) and the discharge of liabilities incurred in connection with the Original Acquisition;
  - 1.2 undertake that any item or amount claimed by the Lender that is not recoverable on the basis of a guarantee shall be paid by it as if it was expressed to be the primary obligor, by way of indemnity together with interest payable thereon and expenses; and
  - 1.3 give an indemnity to the Senior Lender against any loss or liability suffered by it under the Senior Finance Documents as a result of any obligation guaranteed by it being or becoming unenforceable, invalid or illegal;  
  
(the "**Senior Guaranteed Obligations**").
2. By executing the First Invoice Discounting Guarantee the Company will:
  - 2.1 guarantee as principal obligor and not merely as surety the prompt discharge by Target of all obligations to the Invoice Discounting Lender including under the Invoice Discounting Agreements and the other finance and security documents referred to therein (the "**Invoice Discounting Documents**") and the payment of all sums payable by Target under or in connection with the Invoice Discounting Documents as and when the same shall become due together with interest and expenses thereon (including sums due in connection with the Acquisition);
  - 2.2 undertake that any item or amount claimed by the Invoice Discounting Lender that is not recoverable on the basis of a guarantee shall be paid by it as if it was expressed to be the primary obligor, by way of indemnity together with interest payable thereon and expenses; and
  - 2.3 give an indemnity to the Invoice Discounting Lender against any loss or liability suffered by it under the Invoice Discounting Documents as a result of any obligation guaranteed by it being or becoming unenforceable, invalid or illegal; and
  - 2.4 assign to the Invoice Discounting Lender any right of proof it may have in the winding up of Target.



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3. By executing the Second Invoice Discounting Guarantee the Company will:
  - 3.1 guarantee as principal obligor and not merely as surety the prompt discharge by Millenco Hardware Limited of all obligations to the Invoice Discounting Lender including under the Invoice Discounting Agreements and the other finance and security documents referred to therein (the **"Invoice Discounting Documents"**) and the payment of all sums payable by Millenco Hardware Limited under or in connection with the Invoice Discounting Documents as and when the same shall become due together with interest and expenses thereon (including sums due in connection with the Acquisition);
  - 3.2 undertake that any item or amount claimed by the Invoice Discounting Lender that is not recoverable on the basis of a guarantee shall be paid by it as if it was expressed to be the primary obligor, by way of indemnity together with interest payable thereon and expenses; and
  - 3.3 give an indemnity to the Invoice Discounting Lender against any loss or liability suffered by it under the Invoice Discounting Documents as a result of any obligation guaranteed by it being or becoming unenforceable, invalid or illegal; and
  - 3.4 assign to the Invoice Discounting Lender any right of proof it may have in the winding up of Millenco Hardware Limited.
4. By executing the Debenture the Company will:
  - 4.1 as primary obligor and not merely as surety, covenant with the Lender that it will pay or discharge all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) to the Lender (including the Senior Guaranteed Obligations) in each case together with interest and all costs, charges and expenses incurred by the Lender in connection with the protection, preservation or enforcement of its respective rights thereunder or any other document evidencing or securing any such liabilities (including, for the avoidance of doubt, sums due from the Buyer in connection with the Acquisition and the discharge of liabilities incurred in connection with the Original Acquisition);
  - 4.2 as beneficial owner, as security for the payment, discharge and performance of the same, charge in favour of the Lender substantially all its assets and undertaking by way of fixed and floating charges by way of security for the same; and
  - 4.3 agree at its own cost, at the Lender's request to execute any deed or document or take any action required by the Lender to perfect security granted or further secure the Senior Guaranteed Obligations.
5. By executing the Intra-Group Funding Agreement the Company will make available to the Buyer and each other member of the Group a revolving credit facility of up to £25,000,000 to be used by the Buyer and/or any such member of the Group to, inter alia, make payments when due under the Senior Finance Documents and the Invoice Discounting Documents together with costs and expenses incurred in connection with the Acquisition, provided that the Company shall only be obliged to make advances if, inter alia, the aggregate of all

monies standing to the credit of its bank accounts exceeds the amount of the proposed advance and the Company is solvent.

6. By executing the Inter-creditor Agreement the Company acknowledges the regulation of the rights of the parties thereto against it.

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**Appendix 4 to Form 155(6) a**

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**Amount of cash to be transferred to persons assisted**

The amount of any advances, up to a maximum of £25,000,000, made from time to time under the terms of the Intra Group Funding Agreement (as defined in Appendix 2)

PricewaterhouseCoopers LLP  
One Kingsway  
Cardiff CF10 3PW  
Telephone +44 (0) 29 2023 7000  
Facsimile +44 (0) 29 2080 2400

The Directors  
Millenco Holdings Limited  
Fryers Road  
Bloxwich  
West Midlands  
WS2 7LZ

27 January 2006

Dear Sirs

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

We have examined the attached statutory declaration of the directors of Millenco Holdings Limited (the "Company") dated 27 January 2006 in connection with the proposal that the Company should give financial assistance for the purchase of 55,000 of the ordinary shares of the Company's holding company, Paddock Fabrications Limited. 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.

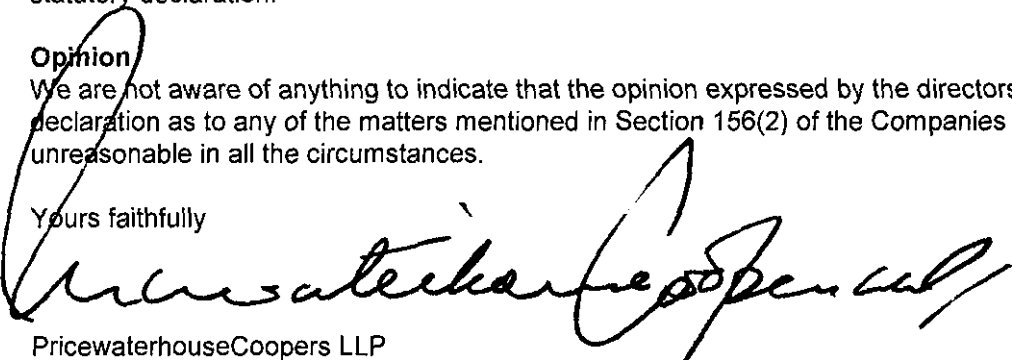
**Basis of opinion**

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

02/02/2006