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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

--	--	--	--

3879156

Name of company

* BAXI HEATING LIMITED

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

* insert full name
of company

x/We Michael Thomas Davies of Dadlington House Farm, Shentone Lane,
Dadlington, Warwickshire CV13 6JD, and Mark John Edwards of The Glen,
35 Hazelwood Road, Duffield, Derby, Derbyshire DE56 4DP.

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

This company is ~~the~~ [a] holding company of* Baxi (BVU) Limited

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

in ~~this company~~ [Baxi Holdings Limited

_____ the holding company of this company.]†

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

For official Use
General Section

Post room



LD9
COMPANIES HOUSE

LGULPW78

0315
06/12/00

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: 10,000,000 Ordinary Shares
of 1p each and 3,400,000 B Ordinary Shares of 1p each

The assistance is to be given to: (note 2) Eventower Limited whose registered office is
Pentagon House, Sir Frank Whittle Road, Derby DE21 4XA

The assistance will take the form of:

See attachment 1.

The person who ~~has acquired~~ [will acquire]† the shares is:
Eventower Limited

† delete as
appropriate

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

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 £ Nil

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

Please do not
write in this
margin

The date on which the assistance is to be given is within 8 weeks of the date hereof

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

~~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) ~~X~~/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)

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

(b) ~~It is intended to commence the winding-up of this company within 12 months of that date, and X 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)

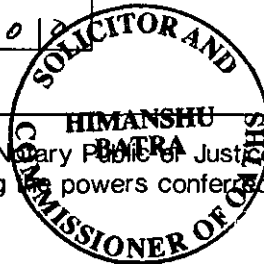
And ~~X~~/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1935.

Declared at Murst Morris Cms
oadwalk House
5 Appold Street
London EC2A 2HA

Declarants to sign below

Day Month Year
on 22 11 2002

before me [Signature]
A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.



[Signature]
[Signature]

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

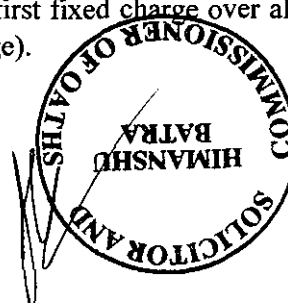
or, for companies registered in Scotland:-

The Registrar of Companies
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB

FORM 155(6)b

BAXI HEATING LIMITED
Company Number 3879156
Attachment 1 to Form 155(6)b

1. Electwealth Limited ("**Parent**"), Deltarepair Limited ("**Holdco**"), Eventower Limited and Financiere Celsius S.A. (the "**Borrowers**") will enter into a senior credit agreement dated on or about the date of this statutory declaration with (1) the Banks (as defined therein), (2) Deutsche Bank AG London, Société Générale and The Royal Bank of Scotland plc as arrangers, and (3) The Royal Bank of Scotland as facility agent, issuing bank and overdraft bank pursuant to which the Banks will make available facilities of up to £441,625,000 to the Borrowers (the "**Senior Credit Agreement**").
2. Eventower Limited will enter into certain interest rate hedging agreements with regard to the Senior Credit Agreement (the "**Hedging Agreements**").
3. Eventower Limited will acquire Baxi Holdings Limited for cash consideration (the "**Acquisition**"). The costs associated with the Acquisition, amongst other things, up to a maximum of £30,000,000 (the "**Acquisition Costs**") will be provided to Eventower Limited under the Senior Credit Agreement.
4. Financial assistance will be provided by the Company to Eventower Limited in connection with the Acquisition Costs. Such financial assistance will be given by the Company entering into and incurring the following obligations under the following documents (to be dated on or about the date hereof):
 - 4.1 a guarantee and debenture (the "**Debenture**") made in favour of The Royal Bank of Scotland plc as security trustee (the "**Security Trustee**") for the Secured Parties (as defined in the Debenture) pursuant to which the Company will give guarantees and indemnities as well as fixed and floating charges over all its assets and undertaking present and future by way of security for the obligations of all members of the group of companies of which it is a member (all "**Group Companies**" as defined in the Debenture) under, amongst other documents the Senior Credit Agreement and the Hedging Agreements.
 - 4.2 pursuant to a facility letter an intra-group loan facility (the "**Upstream Loan Facility**") granted by the Company jointly and severally with other members of the group of companies of which it is a member in favour of Deltarepair Limited and Eventower Limited.
 - 4.3 a trade marks and patents charge (the "**Trade Marks and Patents Charge**") made in favour of The Royal Bank of Scotland plc as agent and trustee (the "**Security Trustee**") for the Secured Parties (as defined in the Trade Marks and Patents Charge) pursuant to which the Company will, with full title guarantee, grant a first fixed charge over all Charged Property (as defined in the Trade Marks and Patents Charge).



BAXI HEATING LIMITED
Company Number 3879156
Attachment 2 to Form 155(6)b

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

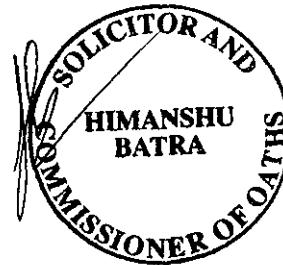
4.4 By executing the Debenture the Company:-

- (a) as principal obligor guarantees payment of all monies owing (and performance of obligations undertaken) to the Secured Parties (amongst other documents) under the Senior Credit Agreement and the Hedging Agreements (the "**Finance Documents**");
- (b) agrees to indemnify the Secured Parties for any loss or liability suffered by any of them as a result of (amongst other things) any obligation owed to them under the Finance Documents not being paid or performed on its due date;
- (c) agrees that its guarantee and indemnity obligations will not be affected by (amongst other things) any act, circumstance, omission, matter or thing which would otherwise reduce, release or prejudice any of such obligations or prejudice or diminish such obligations;
- (d) agrees that any of the Secured Parties may set off any obligation owed but unpaid by the Company to any of the Secured Parties against any obligation (whether or not due and payable) owed by that particular member of the Secured Parties to the Company.
- (e) as primary obligor, covenants with the Security Trustee that it will pay or discharge all outstandings under the Finance Documents;
- (f) as beneficial owner and with full title guarantee, charges in favour of the Security Trustee 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;
- (g) undertakes, at its own expense, to execute and do all such assurances, acts and things as the Security Trustee may reasonably require for perfecting or protecting the security intended to be created by the Debenture over the assets secured thereby; and
- (h) permits the Security Trustee and each of the Secured Parties to set off any obligation due and payable and unpaid by the Company to the Security Trustee or that one of the Secured Parties against any obligation (whether or not due and payable) owed by the Security Trustee or such one of the Secured Parties (as the case may be) to the Company.

4.5 By entering into the Trade Marks and Patents Charge, the Company, with full title guarantee, as continuing security for the payment of the Secured Obligations (as defined in the Trade Marks and Patents Charge) charges by way of first fixed charge in favour of the Security Trustee all the patents, trade marks, patent applications, trade mark applications any goodwill of the Company's business to which the patents, trade marks, patent applications, trade mark applications relate and any other intellectual property right which may arise from, relate to,

or be associated with the patents, trade marks, patent applications, trade mark applications or their use in the Company's business.

- 4.6 By executing the Upstream Loan Facility, the Company, together with other members of its group, will make available to Eventower Limited and/or Deltarepair Limited a revolving loan facility of up to £481,625,000 in aggregate to be used by Eventower Limited and/or Deltarepair to make payments when due to Secured Parties but on the basis that the Company will only be obliged to make advances under the facility letter if, inter alia, it has the cash resources (as determined in the facility letter) and the Company is not in liquidation or administration or the subject of a creditor's voluntary arrangement.
- 4.7 The Company's obligations as described above continue in relation to the Finance Documents as it may be amended, modified, varied or restated from time to time.





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Telex 668265 PMMMAN G
DX 721430 Preston 19
E-mail stephen.dunn@kpmg.co.uk

The Directors
Baxi Heating Limited
Sceptre Way
Bamber Bridge
PRESTON
PR5 6AW

Contact Stephen Dunn
01772 473604

22 November 2000

Dear Sirs

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

We have examined the attached statutory declaration of the directors dated 22 November 2000 in connection with the proposal that Baxi (BVU) Limited, of which this company is a holding company, should give financial assistance for the purchase of 100% of this company's holding company's ordinary shares. 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
Registered Auditors