

# 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

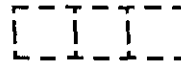
Pursuant to section 155(6) of the Companies Act 1985

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



4010580

Name of company

\* Baxi Finance Limited

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

\* insert full name  
of company

*Wye* ~~We~~ Adrian Egerton Darling of 30 Lakeside Crescent, Lakeside Grange,  
Weymouth, Surrey KG13 9ZE and  
*bridge*

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

*RM* Mark John Edwards of The Glen, 35 Hazelwood Road, Duffield, Derby,  
DE56 4DP

† delete as  
appropriate

~~XXXXXXXXXXXX~~ [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 person authorised under section 3 of the Insurance Companies Act 1982 to carry on  
insurance business in the United Kingdom~~
- (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] ~~the~~ holding company of\* Elsy & Gibbons Limited  
(registered no. 153336) ("the Subsidiary") which is

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

in ~~XXXXXXXXXX~~ Baxi Group Limited

the holding company of this company.†

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

Dickson Minto W.S.  
Royal London House  
22-25 Finsbury Square  
London EC2A 1DX

Ref: BaxiGroup.lpd

For official Use  
General Section

Post room



LD3  
COMPANIES HOUSE

\*LC1HFTJ6\*  
0187  
19/03/04

Please do not  
write in this  
margin

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

The assistance is to be given to: (note 2) Global Heating Products plc,  
whose registered office is at Royal London House, 22-25 Finsbury Square,  
London, EC2A 1DX

See Rider B

† delete as appropriate

See Rider C

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 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)

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

(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)  
(b) ~~We have formed the opinion that this company will be unable to pay its debts as they fall due during the year immediately following that date]\* (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 Declarants to sign below

22-25 Finsbury Square, London

on Day Month Year  
1 2 0 3 2 0 0 4

before me RACHEL MILLS, Rachel Mills  
A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

*[Signatures]*

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

**BAXI FINANCE LIMITED**

**Company No 4010580**

**Rider B**

The execution, delivery and performance of the Subsidiary of its obligations under:

- (a) a trade mark and patents charge by the Subsidiary as Charging Company (as defined therein) (together with the other specified group companies (therein defined as the "Charging Companies")) and the Security Trustee (as defined therein) to be dated on or about the date hereof pursuant to which the Subsidiary (together with each of the other Charging Companies) shall grant a first fixed charge in favour of the Security Trustee (as defined therein) over certain of its intellectual properties specified therein (the "IP Charge");
- (b) an inter company loan agreement between, *inter alia*, Baxi Holdings Limited and GHP Midco Limited and Global Heating Products plc as borrowers and the Subsidiary (together with the other specified group companies therein defined as the "Lenders"), to be dated on or around the date hereof pursuant to which the Subsidiary and the other Lenders shall make available to the borrowers a revolving credit facility to be used by Global Heating Products plc and the other borrowers to discharge their obligations under the Finance Documents (as defined therein), payments of loan stock, costs and expenses associated with the Acquisition (as defined therein) and for other general corporate purposes of the group (the "**Inter-Company Loan Agreement**");
- (c) an indenture to be entered into between Global Heating Products plc (Registered No. 5014835) (name to be changed to Heating Finance plc) either, Deutsche Trustee Company Limited or Bank of New York and the Subsidiary constituting senior subordinated notes of Global Heating Products plc (Registered No. 5014835) (name to be changed to Heating Finance plc) (the "**Notes**"), pursuant to which the Subsidiary shall jointly and severally with other persons guarantee to each holder of such Notes all sums payable in connection with such Notes (the "**Indenture**"); and
- (d) a purchase agreement between Global Heating Products plc (Registered No. 5014835) (name to be changed to Heating Finance plc), the Subsidiary, The Royal Bank of Scotland plc and others (the "**Purchase Agreement**") in which the Subsidiary makes certain representations and warranties to The Royal Bank of Scotland plc as to its constitution, standing, business and other matters and jointly and severally with other persons indemnifies The Royal Bank of Scotland plc from certain losses, liabilities, costs, claims, damages and expenses in relation to such representations, warranties and other matters in connection with the issue of the Notes referred to above.

**BAXI FINANCE LIMITED****Company No 4010580****Rider C**

1. By executing the IP Charge the Subsidiary:
  - (a) charges by way of first fixed charge in favour of the Security Trustee all the Charged Property (as defined therein); and
  - (b) from time to time will execute in favour of the Security Trustee further assignments, transfers, charges or other documents as the Security Trustee shall stipulate in respect of the above-referred Charged Property for the purpose of more effectively providing security to the Security Trustee for the payment or discharge of the Secured Obligations (as defined therein).
2. By executing the Inter-Company Loan Agreement the Subsidiary makes available to the Borrowers (as defined therein) a revolving credit facility, the purpose of which is to enable the above-referred Borrowers to discharge their obligations under the Finance Documents (as defined therein), payments of loan stock, costs and expenses associated with the Acquisition (as defined therein) and for other general corporate purposes of the Group (as defined therein).
3. By executing the Indenture, the Subsidiary shall jointly and severally with other persons guarantee to each holder of such Notes all sums payable in connection with such Notes.
4. By executing the Purchase Agreement, the Subsidiary makes certain representations and warranties to the Royal Bank of Scotland plc as to its constitution, standing, business, and other matters and jointly and severally with other persons indemnifies The Royal Bank of Scotland plc from certain losses, liabilities, costs, claims, damages and expenses in relation to such representations, warranties and other matters in connection with the issue of the Notes.

**PricewaterhouseCoopers LLP**  
Cornwall Court  
19 Cornwall Street  
Birmingham B3 2DT  
Telephone +44 (0) 121 200 3000  
Facsimile +44 (0) 121 200 2464

The Directors  
Baxi Finance Limited  
Pentagon House  
Sir Frank Whittle Road  
Derby DE21 4XA

12 March 2004

Our ref: B04/C22

Dear Sirs

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

We have examined the attached statutory declaration of the directors of Baxi Finance Limited ("the Company") dated 12 March 2004 in connection with the proposal that the Company's subsidiary undertaking, Elsy & Gibbons Limited, should give financial assistance for the purchase of the ordinary shares of the Company's ultimate holding company, Baxi Group 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.

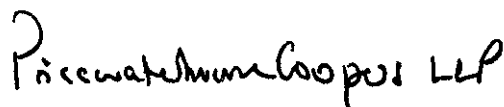
**Basis of opinion**

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*