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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

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2752154

Name of company

* Symonds Group Limited ("the Company")

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

* insert full name
of company

I/We ☒ See Rider A Attached

§ 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] ☒ holding company of* Symonds International Limited

_____ which is

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

in [this company] [_____

_____ the holding company of this company.]†

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

Morgan Cole
Bradley Court
Park Place
Cardiff CF1 3DP
DX 33014 Cardiff
JKR/BOO.122/1
155Bint.LFD

For official Use
General Section



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 million ordinary shares of £1

The assistance is to be given to: (note 2) _____
Symonds Group (Holdings) Limited of Bradley Court, Park Place, Cardiff, CF1
3DP
Company number 3860653

The assistance will take the form of:

Please see attached Rider B.

The person who ~~has acquired~~ [will acquire]† the shares is:
Symonds Group (Holdings) Limited ("Holdings")

† delete as appropriate

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

Please see attached Rider C.

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

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 19 99

~~1/~~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) ~~1/~~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 1/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 ~~1/~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

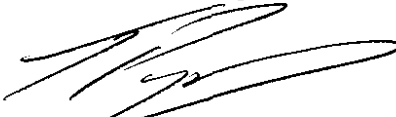
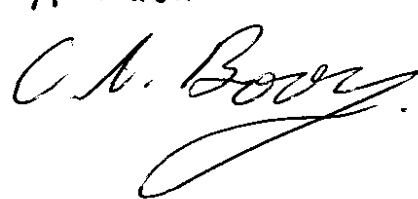
Declared at 100 FORTER LANE
LONDON

the SECOND day of DECEMBER
one thousand nine hundred and NINETY NINE

before me Simon Perry

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

Declarants to sign below


A Ferrett.

C. M. Boory.

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
CF4 3UZ

or, for companies registered in Scotland:-

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

Rider A
Companies Form 155 (b) (a)
SYMONDS GROUP LIMITED

Christopher Arthur Booy of

Eastleach
Station Road
Portbury
Bristol
BS20 9TN

Anthony Ferrett of

10 Alderbrook Road
Solihull
West Midlands
B91 1NN

Timothy John Piper of

Beechwood House
Hawley Road
Blackwater
Camberley
Surrey
GU17 9BZ

RIDER B
Companies Form 155(6)b
SYMONDS GROUP LIMITED ("the Company")

The assistance will take the form of the execution by Symonds International Limited ("International") of the following documents and International complying with and fulfilling their obligations thereunder:-

1. A letter from the Governor and Company of the Bank of Scotland ("the Bank") to Holdings, Woolf Limited ("Woolf") and, the Company (collectively "the Companies") ("the Working Capital Facility Letter") for the provision by the Bank to the Companies of a working capital facility ("the Working Capital Facility").
2. An unlimited inter-company guarantee to be executed by the Companies in favour of the Bank to secure the obligations of the Companies and International to the Bank.
3. A debenture to be executed by International in favour of the Bank to secure the obligations of the Companies and International to the Bank ("the Debenture").
4. An intragroup loan arrangement between the Companies and International, the terms of which are contained in a loan agreement to be executed by the Companies and International ("the Loan Agreement")
5. The Ring Fenced Documentation detailed at Schedule 3 of the Share Sale Agreement of even date between Dalkia Plc and Holdings ("the Ring Fenced Documentation")

all as more particularly specified in the documents listed above, and approved by the Directors.

RIDER C
Companies Form G155 (6)b
SYMONDS GROUP LIMITED ("the Company")

1. The principal terms of the Working Capital Facility Letter are as follows:

- 1.1 The provision of the Working Capital Facility to the Companies to be drawn as overdraft of up to £500,000 ("the Overdraft");
- 1.2 The Working Capital Facility will not be available unless the term loans provided by the Bank to Holdings are drawn down in full.
- 1.3 The Companies will pay to the Bank an arrangement fee, bank charges, expenses and interest calculated daily.

2. The principal terms of the Guarantee are as follows:

The Guarantee provides for International to guarantee the payment of all liabilities (including interest, all charges, costs and expenses) of the Companies and International to the Bank and in particular International:

- 2.1 guarantees to discharge on demand all obligations and undertakings of the Companies and International to the Bank from the date of demand;
- 2.2 agrees that any item or amount claimed by the Bank and which is not recoverable from International under the Guarantee for any reason shall nevertheless be recoverable from International as principal debtors by way of indemnity and International agrees to discharge such liability on demand; and
- 2.3 acknowledges that the Guarantee and the rights of set-off contained in it shall be a continuing security and shall extend to cover the ultimate balance due at any time to the Bank from the Companies and International.

3. The principal terms of the Debenture are as follows:

- 3.1 International covenants that it will on demand in writing pay or discharge all monies and liabilities, due, owing or incurred, actually or contingently by the Company to the Bank and International charges to the Bank as continuing security therefor:-
 - 3.2.1 by way of legal mortgage all the freehold and leasehold property now vested in or charged to International including any registered land together with all present and future buildings fixtures plant and machinery which are on the property at any time

3.2.2 by way of fixed charge:-

- (i) all future freehold and leasehold property belonging to International together with all buildings fixtures plant and machinery
- (ii) all present and future interests over land
- (iii) International's goodwill and uncalled capital
- (iv) all present and future stocks an shares owned and rights and claims under all policies of insurance or assurance
- (v) all intellectual property rights of International
- (vi) all present and future book debts
- (vii) all present and future plant and machinery not otherwise charged as set out above
- (viii) all present and future bank accounts, cash at bank and credit balances.

3.1.3 by way of floating charge the whole of the property and undertaking of International not otherwise charged as set out above

3.2 The Bank can at any time convert the floating charge into a fixed charge over specified assets.

3.3 International covenants to pay all premiums on the charged insurance policies and to keep the whole of the property and undertaking in good and substantial repair and working order.

4. The principal terms of the Loan Agreement are as follows:

4.1 The interest free unsecured loan arrangement between the Companies and International to provide such sums to each other as the parties agree from time to time ("the Loan") is to be repayable on demand.

4.2 The Companies and International not to attempt to create security over their assets without the prior written consent of the Bank so long as any part of the term loans provided by the Bank to Holdings or the Working Capital Facility remain outstanding.

5. The principal terms of the Ring Fenced Documentation are as follows:-

5.1 The transfer by International of its shares in Symonds Pty Limited to the Vendor the inter Group debt set-off arrangement between Symonds Pty Limited, Symonds Travers Morgan (Hong Kong) Limited, Symonds Travers Morgan (Malaysia) Sdn Bhd and the Company and the assignment to Dalkia of the debt of £188,264 owed by

Symonds Pty Limited to the Company evidenced by the share sale agreement dated 1 December 1999 and the assignment dated 1 December 1999.

Morgan Cole – 2 December 1999

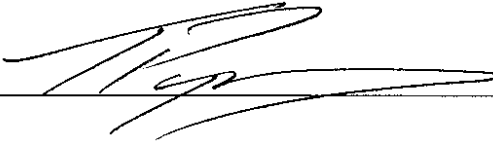
Symonds Group Limited ("the Company")

BOARD MEMORANDUM

Memorandum in connection with the proposed arrangement whereby the Company's subsidiary Symonds International Limited will give financial assistance for the acquisition of its own shares in the Company, particulars of which are given in the statutory declaration made by the directors this day pursuant to section 155 (6) of the Companies Act 1985.

1. As at the close of business on _____ 1999 the aggregate of the Company's assets as stated in its accounting records exceeded the aggregate of its liabilities as so stated.
2. From our knowledge of events since that date and of the likely course of the Company's business, the directors have formed the opinion that the aggregate of the Company's assets will exceed the aggregate of its liabilities immediately before the proposed financial assistance is given and that the giving of financial assistance will not reduce the net assets of the Company.

SIGNED ON BEHALF OF THE BOARD



DATED

_____ 2/12/97 _____

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

We have examined the attached statutory declaration of the directors of Symonds Group Limited ("the Company") dated *2 December* 1999 in connection with the proposal that Symonds International Limited, a wholly owned subsidiary of the Company, should give financial assistance for the purchase of the whole of the issued share capital of the Company.

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.

Ernst & Young

Ernst & Young
Registered Auditor
Rolls House
7 Rolls Buildings
Fetter Lane
London EC4A 1NH