

CHFP025

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

346680

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

Name of company

* Wolstenholme Rink Limited (the "Company")

* insert full name
of company

1Ww2 Calvin Lord of 21 New Court Drive, Egerton, Bolton BL7 9XA

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

Christopher Alan Ravenscroft of 15 Warwick Drive, Hale, Altrincham,
Cheshire WA15 9EA

Paul James Ernest Rink of 2 Warth Farm Cottages, Coppice Lane, White
Coppice, Chorley PR6 9DB

† 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:

(e) 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 1962 to carry on insurance business in the United Kingdom;

(c) something other than the above\$

This company is [the] ~~a~~ holding company of* Inca Bronze Powders Limited

which is

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

in [this company] [

~~x the holding company of this company x~~

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

Taylor Joynson Garrett
Carmelite, 50 Victoria
Embankment, Blackfriars,
London EC4Y 0DX

DX 41 London/Chancery

For official Use
General Section

Doet room



A34 **WASO**
COMPANIES HOUSE

0514
04/11/00

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: 8,154,819 ordinary shares
of 25p in the capital of the Company

The assistance is to be given to: (note 2) Law 2185 Limited whose registered office is
at Rutland House, Rutland Gardens, London SW7 1BX

The assistance will take the form of:

See Schedule 1 attached

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

Law 2185 Limited whose registered office is at Rutland House, Rutland
Gardens, London SW7 1BX

† delete as appropriate

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

See Schedule 2 attached

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

I/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) [I/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 I/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 I/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 50 Victoria Embankment
London EC4Y 0DX

Declarants to sign below


Alan Ford

Day Month Year
on

27	10	2000
----	----	------

before me S. Allorif

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
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB

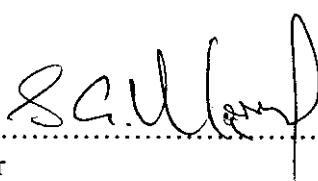
SCHEDULE 1

Form of Financial Assistance

1. The entry by Inca Bronze Powders Limited (the "Subsidiary") into a composite guarantee and debenture (the "Composite Guarantee and Debenture") to be entered into between the Subsidiary, the Company, Law 2173 Limited, Newco (1A) Limited ("Newco 1a"), Law 2192 (Holdco), Law 2185 Limited, World of Gold Limited ("WofG") and Wolstenholme International Limited ("WI") (the "Charging Companies") and The Governor and Company of the Bank of Scotland (the "Bank") whereby the Subsidiary will guarantee and secure the payment and discharge of the Secured Obligations (as defined therein).
2. The entry by the Subsidiary into an intra-group loan agreement (the "Intra-Group Loan Agreement") to be entered into between, Newco 1a as borrower and the Subsidiary, the Company, WofG and WI as lenders pursuant to which, inter alia, the Subsidiary agrees to lend money to Newco 1a to service interest and repay advances and make other payments referred to therein.

This is schedule 1 referred to in the Form 155(6)b declared by the Directors of Wolstenholme Rink Limited on 27 October 2000

Signed
Solicitor



SCHEDULE 2

Principal terms on which the financial assistance will be given

1. Under the Composite Guarantee and Debenture the Subsidiary irrevocably and unconditionally guarantees to the Bank to pay to the Bank on demand all indebtedness, liabilities and obligations which are now or may at any time hereafter be due, owing or incurred in any manner whatsoever to the Bank by any Charging Company whether actually or contingently, whether pursuant to the guarantee contained in the Composite Guarantee and Debenture or otherwise, whether solely or jointly with any other person, whether as principal or surety and whether or not the Bank shall have been an original party to the relevant transaction and in whatever currency denominated including all liabilities from time to time assumed or incurred by the Bank at the request of any Charging Company in connection with foreign exchange transactions, acceptances, discounting or otherwise or under guarantees, bonds, indemnities, documentary or other credits or any instruments whatsoever and including interest, discount, commission and other lawful charges or reasonable expenses which the Bank may in the course of their business charge in respect of any facilities or accommodation or service provided by the Bank for keeping any Charging Company's account (the "Secured Obligations") so long as the same have become due and payable and have not been paid at the time the demand is made (except any Secured Obligations in respect of which the Subsidiary is already primarily liable).
2. As continuing security for the payment or discharge all of the Secured Obligations and all obligations of the Charging Companies under the Composite Guarantee and Debenture:
 - (a) the Subsidiary charges to the Bank by way of first legal mortgage:
 - (i) all its freehold and leasehold interest in the properties title to which is registered at HM Land Registry described in Part I of the Second Schedule to the Composite Guarantee and Debenture together with all buildings, fixtures (excluding in the case of leasehold property landlord's fixtures but including other trade fixtures and excluding in the case of freehold property and leasehold property which is let or sub-let to a third party, tenant's and trade fixtures and fittings of such third party) and its fixed plant and machinery at any time thereon;
 - (ii) all other freehold and leasehold interests in the properties now vested in it but title to which is not registered at HM Land Registry described in Part II of the Second Schedule to the Composite Guarantee and Debenture together with all buildings, fixtures (excluding in the case of leasehold property landlord's fixtures but including other trade fixtures and excluding in the case of freehold property and leasehold property which is let or sub-let to a third party, tenant's and trade fixtures and fittings of such third party) and its fixed plant and machinery at any time thereon;

- (b) the Subsidiary charges to the Bank by way of first fixed charge:
- (i) all present and future freehold and leasehold property of the Subsidiary not otherwise charged by way of legal charge pursuant to the charges referred to in (a) above together with all buildings, fixtures (excluding in the case of leasehold property landlord's fixtures but including trade fixtures and excluding in the case of freehold property and leasehold property which is let or sub-let to a third party, tenant's and trade fixtures and fittings of such third party) and its fixed plant and machinery at any time thereon;
 - (ii) all estates and interests not hereinbefore effectively charged now or hereafter belonging to the Subsidiary in or over land wheresoever situate or the proceeds of sale of land and all licences now or hereafter held by the Subsidiary to enter upon or use land and the benefit of all other agreements relating to land to which the Subsidiary is or may become a party or otherwise entitled and all trade and tenants' fixtures, plant and machinery owned by the Subsidiary now or hereafter annexed to all freehold and leasehold property its estate or interest in which stands charged hereunder;
 - (iii) all stocks, shares (including but not limited to shares in any subsidiary but excluding, for the avoidance of doubt, any shares or interest held in Cepree Products Limited, Wallhead No. 3 Limited and MD-Both Industries by any Charging Company), debentures, loan capital, right to subscribe for, convert other securities into or otherwise acquire any stocks, shares, debentures or loan capital of any other body corporate now or at any time hereafter belonging to the Subsidiary, together with all dividends (unless such dividends are or are to be paid in satisfaction of any of the Secured Obligations), interest and other income and all other rights of whatsoever kind deriving from or incidental to any of the foregoing;
 - (iv) the goodwill of the Subsidiary and its uncalled capital now or at any time hereafter in existence and future calls (whether made by the directors of the Subsidiary or by a Receiver or a liquidator);
 - (v) all copyrights, patents and registered and unregistered designs (including applications and rights to apply therefor), inventions, trademarks and service marks whether registered or not (including all registrations thereof and applications and rights to apply therefor), confidential information and know-how and fees, royalties and other rights of every kind deriving from copyright, patents or inventions or other intellectual property throughout the world now or at any time hereafter belonging to or created by or assigned to the Subsidiary;
 - (vi) all plant, vehicles and machinery now or at any time hereafter belonging to the Subsidiary (excluding however plant and machinery for the time being forming part of its stock in trade or work in progress);

- (vii) all chattels now or at any time hereafter hired, leased or rented by the Subsidiary to any other person together in each case subject to and with the benefit of the related hiring, leasing or rental contract and any guarantee, indemnity or other security for the performance of the obligations of any person under or in respect of such contract;
 - (viii) all present and future book debts, rentals, royalties, fees, amounts receivable under any hedging arrangements with the Bank, VAT and all other amounts recoverable or receivable by the Subsidiary from other persons due or owing to the Subsidiary and the benefit of all rights relating thereto including, without limitation, negotiable instruments, legal and equitable charges, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights ("Receivables");
 - (ix) the benefit of all contracts licences consents and authorisations (statutory or otherwise) held in connection with its business or the use of any property mortgaged or charged by or pursuant to the Composite Guarantee and Debenture specified in any other paragraph or subparagraph and the right to recover and receive all compensation which may be payable to it in respect of them;
 - (x) all monies standing to the credit of any account held by the Subsidiary, including the denominated Collection Account with the Bank.
- (c) The Subsidiary charges to the Bank by way of first floating charge all its undertaking and all its property and assets whatsoever and wheresoever situated both present and future, including (without prejudice to the generality of the foregoing) (i) heritable property and all other property and assets in Scotland and (ii) the proceeds of the collection of any Receivables, but excluding any property or assets from time to time or for the time being effectively charged by way of fixed charge under or pursuant to the Composite Guarantee and Debenture.
- (d) The Subsidiary, as continuing security for the payment, discharge and performance of all the Secured Obligations:
- (i) mortgages and charges and agrees to mortgage and charge to the Bank all the issued shares in the capital of the Non Charging Subsidiaries ("Non Charging Sub Shares") held now or in the future by it and/or any nominee on its behalf, the same to be a security by way of a first mortgage or charge; and
 - (ii) mortgages and charges and agrees to mortgage and charge to the Bank all dividends and interest paid or payable in relation thereto and all stocks, shares, securities (and the dividends or interest thereon), rights, moneys or property accruing or offered at any time in relation to such shares or other securities by way of redemption, substitution, exchange,

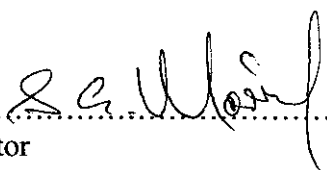
bonus or preference, pursuant to option rights or otherwise in respect of any of the Non Charging Sub Shares or in substitution or exchange for any of the Non Charging Sub Shares accruing to all or any of the Non Charging Sub Shares held now or in the future by it and/or any nominee on its behalf, the same to be a security by way of a first mortgage or charge.

- (e) The Subsidiary shall by way of security for the Secured Obligations:
- (i) immediately deposit by way of security with the Bank all bearer instruments and certificates or other documents evidencing an entitlement to the Non Charging Sub Shares and share transfer forms in blank in respect of those Shares as are in certificated form and the Bank will hold the same by way of security on the terms set out in this Deed;
 - (ii) immediately on receipt of any certificate or other document evidencing any entitlement to any further or other Non Charging Sub Shares deposit it with the Bank together with such share transfer forms in blank which the Bank will hold by way of security on the terms set out in this Deed.

"Non Charging Subsidiaries" means British Metal Powders Limited, S Fry & Company Limited, Epco Thermographic Powders Limited, S Fry (Bolton) Limited, Hertfordshire Bronze Powders Works Limited, American Roll Leaf Company Limited, Ronald Britton Limited, Canbro (UK) Limited, British Bronze Powder Manufacturers Limited and Wolstenholme Bronze Powders Limited.

3. Under the Intra-Group Loan Agreement the Subsidiary undertakes to provide Newco la a loan facility in a maximum aggregate principal amount detailed therein.

This is schedule 2 referred to in the Form 155(6)b declared by the Directors of Wolstenholme Rink Limited on 27 October 2000

Signed 
Solicitor



ARTHUR ANDERSEN

The Directors
Wolstenholme Rink Limited
Springfield House
Lower Eccleshill Road
Darwen
Lancs
BB3 0RP

Arthur Andersen

Bank House
9 Charlotte Street
Manchester M1 4EU

Tel 0161 228 2121
Fax 0161 228 1421

Direct line 0161 200 0394

Direct fax 0161 200 0205

Our ref th/lg/leaG1464

27th October 2000

Dear Sirs

**AUDITORS' REPORT TO THE DIRECTORS OF WOLSTENHOLME RINK LIMITED
PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985**

We have examined the attached statutory declaration of the directors dated 27th October 2000 in connection with the proposal that the Company's subsidiary undertaking, Inca Bronze Powders Limited should give financial assistance for the purchase of 8,154,819 ordinary shares of the Company.

Respective responsibilities of directors and auditors

The Company's directors are responsible for the statutory declaration in accordance with applicable United Kingdom law. It is our responsibility as established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance to review the bases for the declaration, based on our enquiries into the state of the Company's affairs, and to provide a report to the directors.

Basis of opinion

We have enquired into the state of the Company's affairs so far as necessary for us 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

A handwritten signature in black ink, appearing to read 'Arthur Andersen', with a stylized flourish at the end.

ARTHUR ANDERSEN