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CHFP025

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COMPANIES FORM No. 155(6)a

Declaration in relation to
assistance for the acquisition
of shares

155(6)a

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

[] [] [] []

05101150

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

Name of company

* Plaxton Limited (the "Company")

* insert full name
of company

X We ☒ See appendix 1

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

† delete as
appropriate

~~XXXXXXXXXXXX~~ [all the directors]† of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever
is inappropriate

~~(a) that it is a company within the meaning of the Companies Act 1985~~

~~(b) that it is a person authorised under section 3 of the Insurance Companies Act 1982 to carry on~~

~~insurance business in the United Kingdom~~

(c) something other than the above§

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

[company] ~~XXXXXXXXXXXX~~

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

The number and class of the shares acquired or to be acquired is: See appendix 2

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

Halliwell's LLP
St James's Court
Brown Street
Manchester
M2 2JF
14317 Manchester 1

For official Use
General Section

Post room



A11
COMPANIES HOUSE

ADGNPHNJ

370
03/08/2006

The assistance is to be given to: (note 2) Hallco 1314 Limited (Company Number 05812358)

(the "Purchaser") whose registered office is located at Plaxton Park, Cayton Low Road, Eastfield, Scarborough, North Yorkshire YO11 3BY

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

The assistance will take the form of:

See appendix 3

The person who [has acquired] ~~XXXXXX~~ the shares is:

† delete as
appropriate

the Purchaser

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

See appendix 4

The amount of cash to be transferred to the person assisted is £ see appendix 5

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

Please do not
write in this
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Please complete
legibly, preferably
in black type, or
bold block lettering

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

☒ 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) ☒ 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 the~~
~~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 ☒ 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

WINDSORFOLCE COURT, HIGH STREET, HULL.

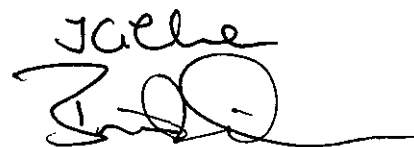
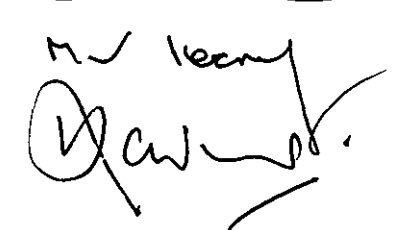
Declarants to sign below

Day Month Year
on

2	9	0	7	2	0	0	6
---	---	---	---	---	---	---	---

before me 

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

PLAXTON LIMITED
APPENDICES TO FORM 155(6)a

APPENDIX 1

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el.

Name: Brian Davidson
Address: Brentwood, Newlands Road, Cloughton, North Yorkshire YO3 0AR

Name: Julie Globe
Address: 12 Rowan Fields, Crossgates, Scarborough, North Yorkshire YO12 4NQ

Name: Michael Keaney
Address: Southgate, 3 Fernhill Grasscroft, Oldham, Lancashire OL4 4GH

Name: Kevin Wood
Address: The Old Mill, Mill Lane, Cloughton, Scarborough YO13 0AB

PLAXTON LIMITED
APPENDICES TO FORM 155(6)a
APPENDIX 2

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32 Nov 15
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The number and class of the shares acquired is 72,500 A Ordinary shares of £0.10 each and 27,500 B Ordinary shares of £0.10 each in the capital of the Company.

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ed.

PLAXTON LIMITED
APPENDICES TO FORM 155(6)a
APPENDIX 3

All capitalised terms in this appendix 3 shall have the meanings given to them in appendix 6.

Form of assistance

The assistance will take the form of:

- 1 the execution by the Company of the following documents (as the same may be amended, varied, supplemented or substituted from time to time) and the Company complying with and fulfilling its obligations thereunder:
 - 1.1 the Debenture;
 - 1.2 the Insurance Assignment;
 - 1.3 the Intra Group Loan Agreement; and
 - 1.4 the Accession Letter; and
- 2 the payment of the Costs.

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PLAXTON LIMITED
APPENDICES TO FORM 155(6)a
APPENDIX 4

All capitalised terms in this appendix 4 shall have the meanings given to them in appendix 6.

Terms on which assistance is given

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

- 1 pursuant to the terms of the Debenture, the Company grants to the Lender fixed and floating charges over all the property, assets and undertaking of the Company, both present and future, as security for all the liabilities and obligations of the Company to the Lender;
- 2 the Debenture contains a further assurance clause which would entitle the Lender to call for additional security documents to be entered into at the Lender's request to, amongst other things, perfect by way of legal charge a charge which as created in the Debenture was merely equitable;
- 3 pursuant to the terms of the Insurance Assignment, the Company assigns to the Lender all its right, title and interest in the life and critical illness policy effected by the Company on the life of Brian Davidson as security for all the liabilities and obligations of the Company to the Lender;
- 4 the Insurance Assignment contains a further assurance clause which would entitle the Lender to call for additional security documents to be entered into at the Lender's request to more effectively secure the obligations of the Company to the Lender;
- 5 pursuant to the terms of the Intra Group Loan Agreement, the Company agrees, inter alia, to provide funds to the Purchaser which could be used by the Purchaser to enable it to meet its obligations to the Lender under, or in connection with, the Senior Credit Agreement and also to discharge liabilities incurred in connection with the Acquisition; and
- 6 pursuant to the terms of the Accession Letter, the Company will accede to the Senior Credit Agreement as a guarantor and will:
 - (a) guarantee to the Lender punctual performance by the Obligors of all the obligations of each of the Obligors under the Finance Documents;
 - (b) undertake with the Lender that, whenever an Obligor does not pay any amount when due under or in connection with any Finance Document, that it shall immediately on demand pay that amount as if it were the principal obligor;
 - (c) indemnifies the Lender immediately on demand against any cost, loss or liability suffered by it if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal; and
- 7 in paying the Costs the Company will be paying up to £420,000 in cash to discharge costs and fees incurred in connection with the Acquisition.

In entering into the various documents and undertaking the payments referred to above, the Company is entering into obligations and assuming liabilities and giving security in connection with the Acquisition and may in the future be called upon pursuant to any of the documents referred to in this statutory declaration to discharge obligations and/or liabilities arising in connection with the Acquisition.

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PLAXTON LIMITED
APPENDICES TO FORM 155(6)a

APPENDIX 5

All capitalised terms in this appendix 5 shall have the meanings given to them in appendix 6.

The amount of cash to be transferred to the person assisted

Up to £20,000,000 being the maximum amount available under the Intra Group Loan Agreement

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PLAXTON LIMITED
APPENDICES TO FORM 155(6)a

APPENDIX 6

In this Form 155(6)a, and all its appendices, the following terms shall have the following meanings:

"Accession Letter" means the accession letter to be entered into by the Company and the Purchaser in favour of the Lender;

"Acquisition" means the acquisition of the entire issued share capital of the Company by the Purchaser pursuant to the terms of the Sale and Purchase Agreement;

"Company" has the meaning given to it on page 1 of this Form 155(6)a;

"Costs" means fees and costs incurred in connection with the Acquisition in an amount not exceeding £420,000;

"Debenture" means the debenture to be executed by the Company in favour of the Lender;

"Facility" means term loan facilities in the maximum aggregate principal amount of £9,000,000 and revolving credit facilities in the maximum aggregate principal amount of £7,000,000 granted to the Company by the Lender pursuant to the Senior Credit Agreement;

"Finance Document" has the meaning given to it in the Senior Credit Agreement;

"Insurance Assignment" means the assignment to be executed by the Company in favour of the Lender in respect of the life and critical illness policies effected by the Company on the life of Brian Davidson;

"Intra Group Loan Agreement" means the intra group loan agreement to be entered into between the Purchaser (as borrower) and the Company (as lender);

"Lender" means Barclays Bank Plc;

"Obligors" means the Purchaser, the Company and any Additional Obligor (as defined in the Senior Credit Agreement);

"Purchaser" has the meaning given to it on page 2 of this Form 155(6)a;

"Sale and Purchase Agreement" means the sale and purchase agreement dated July 2006 and made between the Vendors and the Purchaser;

"Senior Credit Agreement" means the senior credit agreement dated July 2006 and made between the Company, the Purchaser and the Lender; and

"Vendors" means Brian Davidson, Michael Keaney, Julie Globe, Kevin Wood, COIP (GP) Limited, Aberdeen Murray Johnstone Private Equity Fund A, Aberdeen Murray Johnstone Private Equity Fund B, Aberdeen Development Capital Plc, West Yorkshire Fund and Hexagon Investments LLC.



KPMG LLP
1 The Embankment
Neville Street
Leeds LS1 4DW
United Kingdom

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Fax +44 (0) 113 231 3655
DX 724440 Leeds

Private & confidential

The Directors
Plaxton Limited
Plaxton Park
Cayton Low Road
Eastfield
Scarborough
North Yorkshire
YO11 3BY

Our ref ed/at/239

29 July 2006

Dear Sirs

Auditors' report to the directors of Plaxton Limited ("the company") pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 29 July 2006 in connection with the proposal that the company should give financial assistance for the purpose of reducing or discharging a liability incurred for the purpose of the acquisition of the entire issued share capital of the company by Hallico 1314 Limited.

This report is made solely to the company's directors as a body in accordance with section 156(4) of the Companies Act 1985. Our work has been undertaken so that we as the company's auditors might state to the company's directors those matters we are required to state to them in a report under section 156(4) of that Act and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's directors as a body for our work under section 156(4) of that Act or for this report.

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 LLP

Registered Auditor