

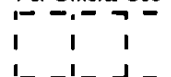
The Insolvency Act 1986

Notice to Registrar of Companies of
Voluntary Arrangement Taking Effect

Pursuant to section 4 of, or
paragraph 30 of Schedule A1 to,
the Insolvency Act 1986

**S. 4/
Para 30
Sch A1**

For Official Use



Company number

To the Registrar of Companies

06196375

Name of company

(a) Insert full name of
company

(a)

AEI Cables Limited

(b) Insert full name and
address

(b) I, Peter Kubik
UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London
E1W 1YW

(c) Delete as applicable
(d) Insert date

the chairman of meetings held in pursuance of section 4 of the Insolvency Act
1986 on
(d) 14 June 2011

enclose a copy of my report of the said meetings

Signed

Date

15-06-11

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

Peter Kubik
UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London
E1W 1YW

For Official Use

Liquidation section

Post Room

THURSDAY



A52P4V16

A14

16/06/2011

62

COMPANIES HOUSE

IN THE HIGH COURT OF JUSTICE

SPECIAL NO: 4602 OF 2011

IN THE MATTER OF THE INSOLVENCY ACT 1986 AND 2000
ENTERPRISE ACT 2002
INSOLVENCY RULES 1986
AND
AEI CABLES LIMITED
("the Company")

THE CHAIRMAN'S REPORT

OF THE MEETING OF CREDITORS AND MEMBERS

HELD ON 14 JUNE 2011

I, Peter Kubik a Partner of the firm UHY Hacker Young LLP, Quadrant House, 4 Thomas More Square, London, E1W 1YW and Joint Nominee of the Company, acted as Chairman of the meeting of creditors and members held at Quadrant House, 4 Thomas More Square, London, E1W 1YW on 14 June 2011 at 2 00 p m and 3 00 p m on 14 June 2011 respectively

In accordance with Rule 1 24 of the Insolvency Rules 1986, I provide a report of the outcome of the meetings

I confirm that the proposal for a voluntary arrangement was approved with modifications by creditors either present or voting at the meetings

Attached at **Appendix I** is the summary of the proposals approved and the approved modifications
At **Appendix II** are details of those creditors either present or represented at the meeting and how they voted

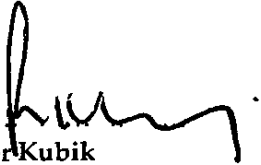
Attached at **Appendix III** are details of those members either present or represented at the meeting and how they voted

No Creditors' Committee was formed

I also confirm that the Company's centre of main interest is in the UK Accordingly the Council Regulations (EC) No 1346/2000 (the Regulation) on insolvency proceedings will apply These proceedings will be main proceedings as defined in Article 3 of the EC Regulations

There being no other business the meeting was closed

Dated 14 June 2011


Peter Kubik
Chairman of the meeting and
Joint Supervisor

APPENDIX I

AEI CABLES LIMITED

Summary of the proposal is listed below

- The main objectives of the proposed CVA are to compromise the unsecured creditor claims
- The Company's principal activity is the design, manufacture and sale of a wide range of electrical cables from domestic wires to special industrial cables
- The Company will continue to trade under the control of the Directors as a going concern. It is estimated that the Company's net profits for the duration of the arrangement will be £3.5m. It is proposed that the Company pay 65% of net profits to the Joint Supervisors, a sum estimated to be £2.34m over the course of the proposed five year arrangement
- It is therefore proposed that a monthly contribution of £39k will be paid to the Joint Supervisors, on account, for the duration of the arrangement
- This will be reviewed on a quarterly basis to ascertain if the net profit of the Company is likely to exceed the directors' estimate or if profits are expected to decrease. An adjustment to the monthly contribution will then be made
- Annual dividends will be paid to creditors at the earliest practicable date once all creditors' claims have been agreed
- The Supervisors will agree creditors' claims and pay a dividend to creditors out of the funds in their possession
- This Proposal is in full and final settlement of all claims by creditors against the Company
- The Company's obligations to make contributions shall be for a maximum of 5 years and the CVA shall continue for this period, or such longer time as is necessary, to enable the Supervisors to realise and distribute all assets included in this CVA and discharge any other obligation incumbent upon them under the terms of this Proposal, the Act and the Rules
- The estimated dividend to unsecured creditors will be 30 pence in the pound after the costs and expenses of the CVA. The estimated dividend to unsecured creditors if the Company went into Liquidation is 6 pence in the pound after the costs of the Liquidation
- By creditors agreeing to the CVA, the majority of the employees of the Company will retain their jobs thus avoiding further preferential employee claims within the arrangement
- If the CVA is approved the Company will continue to trade and the suppliers will receive the benefit of future orders from the Company

Modifications agreed by the Company:-

- 1. Interpretation** – Where a modification to the proposal is approved by creditors and accepted by the Company, the entire proposal shall be construed in the light of the modification and read to give effect to that modification such that any contrary or potentially contrary provisions in the proposal shall either be ignored, or interpreted, in order that the intention of the modification is given priority and effect
- 2. HMRC claim** – The claim (former IR) claim in the CVA will include PAYE/NIC due to the date, of the meeting to approve the arrangement, (or the commencement of the prior administration) and CTSA / assessed tax for the accounting period(s) ended on or before the date of approval of the arrangement (or date of commencement of the prior administration)
- 3. HMRC claim** – The HMRC (former HMC&E) claim in the CVA will include assessed tax, levy or duty to the date of approval or (to the date of commencement of the prior administration)
- 4. Post approval returns and liabilities** – All statutory returns and payments due to HMRC post approval shall be provided on or before the due date
- 5. Dividend prohibition** – No non preferential distribution will be made until (i) a CTSA return has been filed for the accounting period ended on or immediately prior to the date, or approval, or of commencement of the prior administration (ii) a VAT and/or other levy or duty return due to HMRC has been filed up to the date of the approval or (the date of commencement of the prior administration) of (iii) an HMRC Determination or assessment has been made and the supervisor has admitted their final claims
- 6. Expenses of arrangement** – CTSA / VAT due on realisation of assets included in the arrangement will be regarded as an expense of realising the asset payable out of the net sale proceeds
- 7. Tax-overpayments** – Set off of refunds due from the Crown against debts due to the Crown will be in accordance with statute and established legal principles
- 8. Expenses of VA** – HMRC distress / petition costs are to be paid as an expense of the arrangement, in priority to the nominee's fees and supervisor's fees, remuneration and disbursements
- 9. Co Debtors** – The release of the company from its debts by the terms of the CVA shall not operate as a release of any co-debtor for the same debts
- 10. Termination** – The arrangement shall terminate upon
 - (a) The making of a winding up order against the Company, or the passing of a winding up resolution of the Company going into administration
 - (b) (where there is express authority for the supervisor so doing) the supervisor issuing a certificate of termination

11. Arrangement trusts – Upon termination of the arrangement the arrangement trusts expressed or implied shall cease, save that assets already realised shall (after provision for supervisor's fees and disbursements) be distributed to arrangement creditors

12. Liquidation costs provision – The Supervisor shall set aside sufficient funds for winding up proceedings against the Company and such funds will rank ahead of any other expenses of the arrangement

13. Non-compliance – Failure to comply with any express term of the arrangement shall constitute a breach of the Company's obligation under the arrangement. The supervisor shall work with the Company to remedy any breach of obligation. Rule 1.19 shall apply where any variation is proposed. But if any breach of obligation is not remedied within 60 days of its occurrence this shall constitute default of the CVA that cannot be remedied and the supervisor shall not reduce the amount of contribution due from the Company.

14. Windfall – Should the Company receive or become entitled to any assets / funds which had not been foreseen in the proposal details shall be notified to the Supervisor immediately and such sums shall be paid into the CVA until all costs, and statutory interest are paid have been paid in full. Until costs, claims and statutory interest are paid in full all the Company's other obligations under the arrangement shall continue and the payment shall not reduce the amount of contribution due from the Company

15. Supervisor – The Supervisors' fees shall be capped at £20,000 per annum

16. Payments – For the first and each of the following years of the arrangement the Company must pay a minimum of £360,000 in voluntary contributions into the arrangement. Should it be evident at the first and subsequent anniversaries of approval that this is not achievable the supervisor shall seek creditors' instructions as how the failure is to be dealt with

17. Duration – The duration of the arrangement shall not exceed 63 months without the prior approval of a 75% majority in value of creditors' claim voting for the resolution

18. The arrangement shall not be capable of successful completion until all unsecured, non-preferential, creditors claiming in the arrangement have received a minimum dividend of 30 pence in the £

19. Variation – The Company shall not, within 12 months of approval propose a variation to the arrangement that will reduce the yield to creditor below the forecast of 30 pence in the £ unless the Supervisor can provide clear evidence that the variation proposal results from changed trading circumstances that could not have been foreseen when the arrangement was approved. For the avoidance of doubt, simple mis-forecasting of business turnover or profitability shall not provide cause for variation. The Supervisor's evidence, supporting financial information and notice of a creditors' vote shall be circulated to creditors giving at least 14 days clear notice. Creditors shall be asked to say whether the costs associated with the variation shall be met from VA funds in the event that it is rejected

20. The director of the Company shall not:

- (a) Declare or pay any dividend to shareholders for the duration of the voluntary arrangement,
- (b) Declare or pay themselves additional remuneration or fees save shall be agreed with creditors representing 75% of voting creditors

Modifications rejected by the Company:-

- 1 Repaying the whole of the amount owing over a period of time to be decided by Hacker Young after the 30 pence in the pound has been paid to creditors

APPENDIX II
CREDITOR PROXY SCHEDULE
For
AEI Cables Limited

Meeting of Creditors on - 14 June 2011

A creditor proxy schedule is attached together with a summary

Creditors accepting the said proposal

I hereby advise the creditors that the said approvals obtained the requisite acceptance

First Vote –

92.79% of the unsecured creditors voted in favour of the proposal

Second Vote –

I confirm that no connected parties voted and therefore the second vote required by Rule 1.17 was not needed

I can also confirm that the shareholders meeting confirmed in excess of 75% of shareholders ratifying the Company Voluntary Arrangement

AEI CABLES LIMITED PROPOSED COMPANY VOLUNTARY ARRANGEMENT
Meeting of Creditors 14 June 2011

Proxy Schedule

Unsecured Trade & Expense Creditors

Key
F For Chairman (Special)
FG For Chairman (General)
FO For Other
AC Against Chairman
AO Against Other
O Open Vote
I Invalid

Name of Creditor	Name of Proxy Holder	Claim per Proof of Debt Form (£)	Claim for Voting (£)	Vote For/For Other/Against/Abstain/ Invalid	For Chairman (Special)	For Chairman (General)	For Other	Against Chairman	Against - Other	Open Vote	Invalid	Attending	Notes
Advanced Water Technologies Limited	Peter Kubik	3,857.00	3,857.00				2,400.00				3,857.00		employee
Alan Poole & Kite Communications	Chairman	2,400.00	2,400.00	FO									
Alan Schewills	Chairman	0.00	0.00	F									
Alfa Tail Lifts	Chairman	307.10	307.10	FG		307.10							
Amtech Power Software Limited	Chairman	338.40	338.40	FG		338.40							
Apex Electrical Solutions Ltd	Chairman	4,235.66	4,235.66	F	4,235.66								
AS Pneumatics	Chairman	1,802.11	1,802.11	FG		1,802.11							
Asklam UK Limited	Lynda Batty / Richard Cooper	146,918.08	146,918.08	O						146,918.08			
Atotech UK Ltd	Chairman	1,901.65	1,901.65	F	1,901.65								
ATS EuroMaster Ltd		3,147.31	0.00										
BASSEC	Peter Smeeth	24,537.60	24,537.60	FO			24,537.60						
Bellingham Steel and Tinsplate Co Ltd	Chairman	4,345.06	0.00										
Betolence Ltd	Chairman	142,422.92	142,422.92	F	142,422.92								
Bladon Speciality Chemicals Ltd		11,768.00	0.00										
Cable Makers Properties and Services Ltd		9,552.90	0.00										
Certex UK		296.73	0.00										
CIS Industrial Hire & Sales Limited	Chairman	330.00	0.00										
Coat Sanderson	Chairman	0.00	0.00	F									
Connect Physical Health	Chairman	803.00	803.00	F	803.00								
Connect Water Systems North East Ltd	Chairman	1,044.00	1,044.00	F	1,044.00								
Dalida Utilities Services Pte		3,930.40	0.00										
David Riley	Mrs K King / Chairman of the meeting	19,360.00	19,360.00	AO						19,360.00			
David Watson Transport Limited	Chairman	588.00	588.00	FG		588.00							
Deen Taxis Limited	Chairman	121.68	121.68	F	121.68								
Delux Components Limited	Chairman	40,764.36	40,764.36	F	40,764.36								
Draka UK Limited	Chairman	23,796.25	23,796.25	F	23,796.25								
Dyck Carriers Limited		480.00	0.00										
edg Limited Via Eastland Compounding		3,577.74	0.00										
Electrical Distribution Association	Chairman	1,755.00	1,755.00	FG		1,755.00							
Essex Engineering Works (Warrstead) Ltd	Chairman	2,963.12	2,963.12	F	2,963.12								
European Recycling and Recovery Ltd		8,995.63	8,995.63	I							8,995.63		
Fire Engineering Company Ltd	Chairman	2,235.60	2,235.60	F	2,235.60								
Fuchs Lubricants (UK) Plc		2,761.56	0.00										
Graham Barclay	Michael Kuehl/Peter Kuehl	15,000.00	15,000.00	FG		15,000.00							
Herman Hodge Ltd Via Geo Brough & Co	Chairman	3,934.03	3,934.03	FG		3,934.03							
HLA Services Ltd	Chairman	103.90	103.90	FG		103.90							
Honeywell Control Systems Limited		1,717.20	0.00										
Hudson Catering Limited	Chairman	5,967.77	5,967.77	F	5,967.77								
I O H	Chairman	2,256.00	2,256.00	AC	2,256.00								
Ian Daglish	Chairman	1,007.04	1,007.04	AC				1,007.04					
Ian Harris	Michael Kuehl/Peter Kuehl/Kathy King	18,500.00	18,500.00	F	18,500.00								
Industrial Roofing Services		408.00	0.00										
Instron Limited		3,126.96	3,126.96	F	3,126.96								
Innamag Company Limited	Branda Clarkson/Scott Bebbington/Chairman	337.20	337.20	I							337.20		
James Munster	Peter Kubik/Michael Kuehl	20,000.00	20,000.00	FG		20,000.00							
Jasmarik Contractors Services Ltd	Chairman	105.50	0.00										
Jeffrey Scott	Chairman	12,200.00	12,200.00	AC				12,200.00					
John Dent	Chairman	0.00	0.00	F									
Jones Stroud Insulations Ltd	Michael Kuehl / Peter Kubik	12,168.21	12,168.21	FG		12,168.21							
Key Industrial Equipment Ltd	Chairman	3,305.94	3,305.94	F	3,305.94								
LPC Elements Ltd		931.67	931.67	I									
M&S Manufacturing Inc	Chairman	156.60	156.60	F	156.60								
MacDiernid Plc	Chairman	858.86	858.86	F	858.86								

Michael Stout	Peter Kubik	8 081 02	8 081 02	8 081 02	F	8 081 02	7 954 36	-	-	employee
Monks & Crane Ind Group	Chairman	7 954 36	7 954 36	7 954 36	FG	7 954 36	7 954 36	-	-	
Mondorier CCL Systems Ltd	Chairman	1 062 00	1 062 00	1 062 00	FG	1 062 00	1 062 00	-	-	
Mr DU Hedley		0 00	0 00	0 00	I			-	-	
Multiple Winding Co Ltd	Chairman	3 478 41	3 478 41	3 478 41	FG	3 478 41	3 478 41	-	-	
OMYA UK Ltd	Chairman	17 148 06	17 148 06	17 148 06	FG	17 148 06	17 148 06	-	-	
Paid Davis Freight Ltd	Chairman	844 04	844 04	844 04	F	844 04		-	-	
Pearlfire Fire Company Limited		126 00	0 00	0 00				-	-	
Polyblend UK Limited	Chairman	624 00	624 00	624 00	F	624 00		-	-	
Polymeric Labels	Chairman	652 06	652 06	652 06	F	652 06		-	-	
Polyone Corporation UK Ltd		8 146 52	0 00					-	-	
Protect the Cap Co Ltd	Chairman	102 54	102 54	102 54	FG		102 54	-	-	
Richard Baker Harrison Ltd	Chairman	11 022 70	1 102 70	1 102 70	FG		1 102 70	-	-	
Robert Guy	Chairman	17 603 95	17 603 95	17 603 95	F	17 603 95		-	-	
Robert Marsh	Chairman	22 973 95	22 973 95	22 973 95	F	22 973 95		-	-	
Rosen Cable Products Ltd	J O Linwood	36 990 72	36 990 72	36 990 72	O			-	-	
Russell H Hall	Chairman	18 200 00	18 200 00	18 200 00	AC		18 200 00	-	-	
Sale Ship UK Limited	Chairman	2 953 56	2 953 56	2 953 56	F	2 953 56		-	-	
Sarah Moody	Peter Kubik	962 00	962 00	962 00	AC		962 00	-	-	
SG World Ltd		224 00	0 00	0 00				-	-	
Shell UK Oil Products Limited		655 20	0 00	0 00				-	-	
Slavell Ltd	Chairman	1 469 19	1 469 19	1 469 19	F	1 469 19		-	-	
Solution MHE Limited		210 96	0 00	0 00				-	-	
Staffing Made Simple (Kent) Ltd	Chairman	1 218 53	1 218 53	1 218 53	F	1 218 53		-	-	
Stanley Vicars Ltd		360 00	0 00	0 00				-	-	
Supplies Team Ltd		48 08	0 00	0 00				-	-	
Techniques UK Ltd	Chairman	7 202 40	7 202 40	7 202 40	F	7 202 40	386 40	-	-	employee
The Baley Metallic Packing Limited	Chairman	386 40	386 40	386 40	FG			-	-	
Tor Coatings Limited	Chairman	496 97	496 97	496 97	F	496 97		-	-	
Total Business Group		218 63	0 00	0 00				-	-	
Tri Wire Limited	Oliver Bear	247 127 11	0 00	0 00				-	-	
Twenty Four Seven Industrial Recruitment		361 74	0 00	0 00				-	-	
TWP Packaging Ltd	Chairman	8 626 80	8 626 80	8 626 80	F	8 626 80		-	-	
Tyne Tees Fibration Ltd	Chairman	285 49	285 49	285 49	F	285 49		-	-	
UBI Factor SPA (A.S. Sarkeyuan)	Chairman	971 708 10	971 708 10	971 708 10	F	971 708 10		-	-	
Valene Jane Scott	Peter Kubik/Michael Kishy	12 000 00	12 000 00	12 000 00	F	12 000 00		-	-	
Wheatley Plastics Ltd		736 02	0 00	0 00				-	-	
Whitcham Ltd	Chairman	7 110 24	7 110 24	7 110 24	FG		7 110 24	-	-	
Wiederbach AH GMBH	Chairman	9 929 61	9 929 61	9 929 61	FG		9 929 61	-	-	
Willfield Smith Limited		19 190 13	0 00	0 00				-	-	
Willfield Smith Limited	Stephen Young	0 00	0 00	0 00				-	-	
William Willshire	Chairman	11 600 00	11 600 00	11 600 00	F	11 600 00		-	-	
		2,031,701 84	1,703,708 44			1,322,620 43	104,301 07	32,459 04	19,360 00	183,908 80 13,921 50
With Modifications - accepted by the Company										
HM Revenue & Customs	Chairman	1,990,720 00	1,990,720 00		F	1,990,720 00	0 00	0 00	0 00	0 00
With modifications - rejected by the Company										
QW Security Limited	Mr J C Walker	19,063 69	18,063 69		AO	0 00	0 00	0 00	18,063 69	0 00
TOTALS										
		4,040,484 73	3,712,492 13			3,313,840 43	104,301 07	32,459 04	37,423 69	183,908 80 13,921 50
3,712,492 13										

AEI CABLES LIMITED - PROPOSED COMPANY VOLUNTARY ARRANGEMENT
Meeting of Creditors - 14 June 2011

Summary of Claims and Proxies

FIRST VOTE		£	£
Unsecured Creditor Claims Admitted for Voting			3,712,492 13
For -	3,444,779 10		
Against -	69,882 73		
Open Vote	183,908 80		
Invalid	13,921 50		
Total		3,712,492 13	
Percentages for Voting			
For -	92.79%		
Against -	1.88%		
Open Vote	4.95%		
Invalid -	0.37%		
Total		100.00%	

SECOND VOTE

The second vote will replicate the first vote as the only connected / associate party, Paramount Holdings Limited, has no outstanding liability

SECOND VOTE		£	£
Unsecured Creditor Claims Admitted for Voting			3,712,492 13
For -	3,444,779 10		
Against -	69,882 73		
Open Vote	183,908 80		
Invalid -	13,921 50		
Total		3,712,492 13	
Percentages for Voting			
For	92.79%		
Against -	1.88%		
Open Vote -	4.95%		
Invalid	0.37%		
Total		100.00%	

APPENDIX III

MEMBER PROXY SCHEDULE

**For
AEI Cables Limited**

Meeting of members on - 14 June 2011

Name of Member	Represented by	Ordinary Shares	Voting
Paramount Holdings Limited	Sanjay Aggarwal	3,015,000	For the acceptance of the proposed voluntary arrangement with modifications
	Total	3,015,000	

VEI CABLES LIMITED

Proxy Schedule for Meeting of Members on 14 June 2011

Meeting to consider the following resolutions

Resolution		For		Against		Abstain	
1	For the acceptance of the proposed voluntary arrangement	3015000					
Shareholder	Proxy Holder	Resolution 1					
Paramount Holdings Limited	Chairman	For					
Overall Result		100%					
		Approved					

INVALID PROXIES

Shareholder