



155(6)b

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0231
18/07/01

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: 64,144,071 ordinary shares
of 25p each

The assistance is to be given to: (note 2) Clifton House Acquisition Limited (company
number 4174909) of Clifton House, 83/89 Uxbridge Road, Ealing, London W5 5TA
(the "Purchaser")

The assistance will take the form of:

See Annex 1

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

† delete as
appropriate

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

See Annex 2

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

☒ 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) ☒ 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)

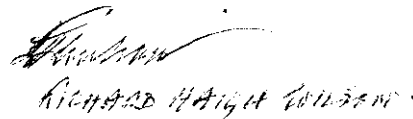
And I/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at Exarnet Int. Ltd.
Clifton House, Ealing.

Declarants to sign below


D. TANCER


THOMAS RAYNER


RICHARD HAIGHT WILSON

on

Day	Month	Year
28	06	2001

before me  N. SAVILLE

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

PRINCE EVANS
77 UXBRIDGE ROAD
EALING, LONDON W5 5ST

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

ANNEX 1

- 1 The execution of a guarantee and debenture by the Company in favour of Bank of Scotland as security trustee (the "Guarantee and Debenture") pursuant to which the Company would guarantee the obligations of the Purchaser under the facility agreement dated 16 March 2001 between the Parent, Bank of Scotland (the "Bank") and the banks listed therein (as amended, varied, supplemented, novated or replaced from time to time) (the "Facility Agreement") providing a term loan and revolving credit facility to the Purchaser of up to £53,500,000 and all related documents and the Company would grant fixed and floating charges over all its property, assets and undertaking from time to time in favour of the Bank as security for such guarantee obligations.
- 2 The execution by the Subsidiary of an intra-group funding agreement (the "Funding Agreement") pursuant to which the Subsidiary would agree to make certain loan facilities available to the Purchaser.
- 3 The execution by the Subsidiary of a stock pledge agreement in favour of Bank of Scotland as security trustee (the "Stock Pledge") pursuant to which the Subsidiary would grant a pledge over its holding of shares in Expamet America Inc., as further security for the guarantee obligations referred to in 1 above.

ANNEX 2

- 1 Pursuant to the Guarantee and Debenture the Subsidiary would agreed to:-
 - 1.1 irrevocably and unconditionally:
 - 1.1.1 guarantee to the Security Trustee and the Secured Parties the due and punctual payment, observance and performance of the Secured Liabilities owing by each other Obligor when and as the same shall become due;
 - 1.1.2 as principal debtor undertake to the Security Trustee on its own account and on behalf of the Secured Parties that if and each time that another Obligor shall be in default in the payment or performance of any of the Secured Liabilities, the Subsidiary would on demand from the Security Trustee make good the default and pay all sums which may be payable in respect thereof as if the Subsidiary instead of such Obligor were the principal debtor in respect thereof, together with interest thereon at the rate per annum from time to time payable by such Obligor on such sums from the date when such sums become payable by the Subsidiary hereunder until payment of the Secured Liabilities in full; and
 - 1.1.3 agree as a primary obligation to indemnify the Security Trustee and each Secured Party on demand by the Security Trustee from and against any loss incurred by the Security Trustee and each Secured Party or any of them in connection with the non-payment or non-performance of any of the Secured Liabilities owing by any other Obligor or as a result of any of the Secured Liabilities or any of the Financing Documents being or becoming void, voidable, unenforceable or ineffective as against any other Obligor for any reason whatsoever, whether or not known to the Security Trustee or the Secured Parties or any of them or any other person, the amount of such loss being the amount which the person or persons suffering it would otherwise have been entitled to recover from such Obligor.
 - 1.2 with full title guarantee charge with the payment and discharge to the Security Trustee (as agent and trustee for the Secured Parties) of all the Secured Liabilities:
 - 1.2.1 as a fixed charge by way of legal mortgage all freehold and leasehold property of the Subsidiary both present and future together with all buildings and fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and therein;
 - 1.2.2 as a fixed charge all plant, machinery, vehicles and other equipment at the date of the Guarantee and Debenture or thereafter owned by the Subsidiary together with the benefit of any obligations and warranties given by the manufacturer or supplier of such plant, machinery or other equipment and the benefit of all maintenance agreements entered into between the Subsidiary and any other person in respect of such plant, machinery and other equipment;
 - 1.2.3 as a fixed charge by way of legal mortgage the Shares;
 - 1.2.4 as a fixed charge all other shares and stock in the capital of any company which is owned by the Subsidiary from time to time or in which the Subsidiary otherwise has an interest together in all cases with all rights arising in relation thereto;
 - 1.2.5 as a fixed charge the benefit of all present and future licences (statutory or otherwise) held in connection with its business or the user of any of the mortgaged property and the right to recover and receive all compensation which may at any time become payable to it in respect thereof;

- 1.2.6 as a fixed charge all licences and patents (including applications and the rights to apply therefore), copyrights, rights in trademarks whether registered or not, trade names, rights in service marks whether registered or not, registered designs, know-how and rights in confidential information from time to time belonging to it;
- 1.2.7 as a fixed charge the goodwill and the uncalled capital of the Subsidiary both present and future;
- 1.2.8 as a fixed charge the book debts due or owing to the Subsidiary both present and future;
- 1.2.9 as a fixed charge all benefits in respect of all contracts and policies of insurance (including, for the avoidance of any doubt, all cover notes and any keyman life assurance policies) which are from time to time taken out by the Subsidiary or (to the extent of such interest) in which it has an interest;
- 1.2.10 as a floating charge the stock-in-trade and work-in-progress, prepayments, investments quoted on a recognised stock exchange and cash of the Subsidiary both present and future; and
- 1.2.11 as a floating charge the undertaking and all other property and assets of the Subsidiary both present and future;
- 2 Pursuant to the Stock Pledge, the Subsidiary would agreed to:-
 - 2.1 pledge, assign, grant a security interest in, transfer and deliver to the Security Trustee for itself and for the rateable benefit of the Secured Parties each of the following:
 - 2.1.1 all of the Subsidiary's right, title interest in and to all shares (the "Pledged Shares") of capital stock currently held by the Subsidiary in Expamet America Inc. and the certificates, if any, representing the Pledged Shares, and all dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the Pledged Shares;
 - 2.1.2 all additional shares (the "Additional Shares") of capital stock or other equity interest of Expamet America Inc. (or any other person or entity ("Person") that, after the date of the Stock Pledge Agreement, becomes a Subsidiary Undertaking of the Subsidiary) from time to time acquired by the Subsidiary in any manner (including, without limitation, any shares of preferred stock issued by any such issuer) and the certificates, if any, representing such additional shares, and all dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such shares;
 - 2.1.3 all other rights appurtenant to the property described in 2.1.1 and 2.1.2 above (including, without limitation, voting rights); and
 - 2.1.4 all cash and noncash proceeds of any and all of the foregoing described in 2.1.1 – 2.1.3 above.
- 3 Pursuant to the Funding Agreement, the Subsidiary would make available loan facilities of up to £100,000,000 or such other amount as may be agreed to the Purchaser to assist the Purchaser in satisfying its obligations under the Facility Agreement.

Definitions

Agent: has the meaning given to that term in the Facility Agreement;

Financing Documents: has the meaning given to that term in the Facility Agreement;

Group: means the Purchaser and any of its subsidiaries from time to time and "member of the Group" shall be construed accordingly;

Obligor: means any member of the Group which has or which will have any liability (actual or contingent) and whether alone or jointly with any other person and whether as principal debtor, guarantor or surety or otherwise (or as the equivalent obligor under the laws of any other jurisdiction) to the Agent, the Security Trustee and the Secured Parties or any of them for the payment or repayment of any amounts outstanding or capable of becoming outstanding under the Financing Documents;

Secured Liabilities: means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or as principal debtor, guarantor, surety or otherwise or as the equivalent obligor under the laws of any other jurisdiction) of each Obligor to the Security Trustee and the Secured Parties under the Financing Documents together with:

- (a) any refinancing, novation, refunding, deferral or extension of or increase in any of those obligations or liabilities of any Obligor under any facility agreement entered into after the date hereof with all or any of the Secured Parties which is entered into wholly or partially in order to refinance the Secured Liabilities at the date hereof;
- (b) any further obligations and liabilities which may be made by any Secured Party to any Obligor under any agreement expressed to be supplemental to any of the Financing Documents and all interest, fees and costs in connection therewith;
- (c) all costs, charges and expenses incurred by the Security Trustee or any of the Secured Parties in connection with the protection, preservation or enforcement of its respective rights under the Financing Documents;
- (d) any claim for damages or restitution in the event of rescission of any of those obligations or liabilities or otherwise in connection with the Financing Documents;
- (e) any claim against any Obligor flowing from the recovery by an Obligor of a payment or discharge in respect of any of those obligations or liabilities on grounds of preference or otherwise; and
- (f) any amounts which would be included in any of the foregoing but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings;

Secured Parties: means the Security Trustee, the Agent, the Banks, the Clearing Bank and the Hedging Banks or any of them as the context requires (as each such term, other than the Security Trustee, is defined in the Facility Agreement);

Security Trustee: means The Governor and Subsidiary of the Bank of Scotland as agent and trustee for itself and for each of the Secured Parties;

Shares: means the shares listed in the first schedule to the Guarantee and Debenture together with all rights, including dividends and other distributions, arising in relation thereto.

Subsidiary Undertaking: means any corporation or other entity of which the Subsidiary owns directly or indirectly more than 50% of the voting shares or other ownership interest.

PricewaterhouseCoopers
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Newcastle upon Tyne NE99 1PL
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Facsimile +44 (0) 191 261 9490

The Directors
Expamet International Limited
Clifton House
83/89 Uxbridge Road
Ealing
London
W5 5TA

28 June 2001

Dear Sirs

Auditors' report to the directors of Expamet International Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of Expamet International Limited ('the Company') dated 28 June 2001 in connection with the proposal that the Company's subsidiary undertaking, Expamet UK Limited, should give financial assistance as described in Annex 1 of the attached statutory declaration

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
Chartered Accountants and Registered Auditors