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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

[ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]

1511975

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

Name of company

\* HORSTMAN DEFENCE SYSTEMS LIMITED

\* insert full name  
of company

~~I/XXX~~ JOHN GRAHAM HARRIS of 17 Westfield Road, Edgbaston, Birmingham, West  
Midlands B15 3QF

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

† delete as  
appropriate

[the sole director] ~~for the directors~~ of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever  
is inappropriate

~~(a) that of a [recognised bank] licensed institution within the meaning of the Banking Act 1979~~

~~(b) that of a person authorised under section 9 or 4 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] ~~company's holding company~~

The assistance is for the purpose of [that acquisition] ~~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:  
of £1 each

50,000 ordinary shares

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

Martineau Johnson  
St Philips House  
St Philips Place  
Birmingham  
B3 2PP

DX 721090 Birmingham 50  
63518

For official Use  
General Section



The assistance is to be given to: (note 2) H W MACHINERY LIMITED (Company No. 3721208) of  
45a Waterlinks House, Richard Street, Birmingham B7 4AA

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legibly, preferably  
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bold block  
lettering

The assistance will take the form of:

- 1 the Company creating a legal charge over the property at Locksbrook Road, Bath in favour of AIB Group (UK) plc ("AIB") in AIB's standard form ("the Charge");
- 2 the Company creating a fixed and floating charge over all assets, both present and future in AIB's standard form ("the Debenture");
- 3 the Company entering into a deed of priorities between First National Invoice Finance Limited (1), AIB (2) and the Company, A B Precision (Poole) Limited ("ABP") and Aeronautical & General Instruments Limited ("AGI") to regulate the status of the security of the creditors of the Company ("the Priority Deed").

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

† delete as  
appropriate

H W MACHINERY LIMITED (Company No. 3721208) of 45a Waterlinks House,  
Richard Street, Birmingham B7 4AA

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

- 1 by executing the Charge in favour of AIB, the Company will as security for the payment and discharge of the liabilities and obligations set out therein, charge in favour of AIB the property at Locksbrook Road, Bath;
- 2 by executing the Debenture in favour of AIB the Company will as security for the payment and discharge of the liabilities and obligations set out therein, charge in favour of AIB, all its assets and undertaking by way of fixed and floating charges;
- 3 by executing the Priority Deed, First National, AIB and the Company, AGI and ABP will acknowledge the arrangements, rights and obligations of the parties to the Priority Deed and agree to act in accordance with those arrangements with respect to, inter alia, claims of First National and AIB as creditors of the Company.

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

The date on which the assistance is to be given is within 8 weeks of the date hereof

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bold block lettering

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

I/~~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) I/~~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 I/we 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 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 St. Philips House, St. Philips Place  
Birmingham

Declarants to sign below

on 

Day	Month	Year
17	12	2001

*J. G. Wams*

before me C. J. Parkinson

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

Heathcote House 136 Hagley Road Edgbaston Birmingham B16 9PN  
Tel 0121 454 4141 Fax 0121 454 4949  
Email [heathcotes@btinternet.com](mailto:heathcotes@btinternet.com) [www.heathcote-coleman.co.uk](http://www.heathcote-coleman.co.uk)



Our ref: CSW/RM

17 December 2001

The Board of Directors  
Horstman Defence Systems Limited ("the Company")  
Locksbrook Road  
Bath  
BA1 3EX

Victor Lystie  
Gerald Davis  
Steven Heathcote  
Charles Hannan  
Charles Wright

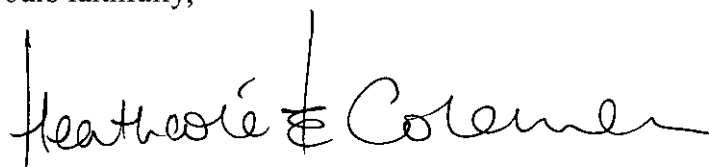
Dear Sirs,

**REPORT OF THE AUDITORS TO THE DIRECTORS OF THE COMPANY  
RELATING TO A PROPOSAL TO GIVE FINANCIAL ASSISTANCE FOR THE  
ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF THE COMPANY  
BY HW MACHINERY LIMITED PURSUANT TO SECTION 156(4) OF THE  
COMPANIES ACT 1985.**

We have enquired into the state of affairs of the Company in connection with the proposal that the Company shall give financial assistance for the purchase of the entire issued share capital of the Company by HW Machinery Limited.

We are not aware of anything to indicate that the opinions expressed by the Directors in the attached Statutory Declaration dated 17 December 2001 (which we have initialled for the purposes of identification) as to the solvency of the Company are unreasonable in all the circumstances.

Yours faithfully,

  
Heathcote Coleman