

Declaration by the directors of a holding company in relation to assistance for the acquisition of shares

155(6)b

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* DELTRON ELECTRONICS LIMITED

Peter Vance Allen of Abacus House, Bone Lane, Newbury, Berkshire RG14 5SF

~~XXXXXX~~ [all the directors] † of the above company (hereinafter called 'this company') do solemnly and sincerely declare that:

The business of this company is:

- (a) ~~not a person authorised under section 44 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom~~
- (b) ~~not a person authorised under section 44 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom~~
- (c) something other than the above §

This company is [the] ☒ holding company of* **Deltron Emcon Limited**

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

in [this company] [

Post room



596
01/04/2006

Please do not
write in this
margin

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

The assistance is to be given to: (note 2) Abacus Group plc, Abacus House, Bone Lane, Newbury, Berkshire RG14 5SF

See Appendix 1

† delete as appropriate

See Appendix 2

The value of any asset to be transferred to the person assisted is £ N/A

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**

X 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)

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

(a) ~~X~~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)

(b) ~~XXXXX intended to coordinate the winding up of the company, with the directors of that date, and XXXX have formed the opinion that this company will be able to pay its debts in full within 12 months of the XXXXence date of the winding up.* (note 3)~~

And ~~X~~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 Alanus House
Bone Lane
Newbury

Declarants to sign below

Day Month Year
on 2 0 03 2 0 06

before me *D. L. Lere* (DANIEL LERE)

~~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

APPENDIX 1

The assistance will take the form of the execution delivery and performance by the Company of the Banking Documents listed below pursuant to a facilities agreement entered into between (1) Abacus Group plc ("Abacus") and (2) HSBC Bank plc pursuant to which an £11,000,000 revolving credit facility will be made available to Abacus ("the Facilities Agreement").

- (a) a deed of admission to a composite guarantee and indemnity (the "Guarantee") in favour of HSBC Bank Plc (the "Bank");
- (b) a debenture (the "Debenture") in favour of the Bank;
- (c) an accession letter (the "Accession Letter") in favour of the Bank;
- (d) an intra group loan agreement (the "Intra Group Loan Agreement") with other members of the Group,

(as each document may be amended, restated, substituted, novated or transferred from time to time and the parties to such documents shall include their successors in title, permitted assigns and permitted transferees, together the "Banking Documents").

APPENDIX 2

The terms upon which the assistance will be given are as follows:-

- (a) pursuant to the Guarantee, the Company agrees to pay to the Bank on demand all monies and liabilities whatsoever, whenever and however incurred, whether with or without the Company's knowledge or consent and whether now or in the future due or becoming due, from any Guarantor (as defined in the Guarantee), including the companies listed below to the Bank and whether incurred jointly or individually or in any other capacity:
 - (i) Deltron Electronics Limited;
 - (ii) Deltron Holdings Limited;
 - (iii) Abacus Group Plc
 - (iv) Abacus Electronics Holdings Limited;
 - (v) Trident Microsystems Limited;
 - (vi) Trident Displays Limited
 - (vii) Silicon Concepts Limited
 - (viii) Innovative Electronic Components Group Limited;
 - (ix) Micromark Electronics Limited;
 - (x) ECC Distribution Limited;
 - (xi) Telecom Design Communications Limited
 - (xii) Polar plc;
 - (xiii) Deltron UK Limited;
- (b) pursuant to the Debenture, the Company will:
 - (i) agree to pay and discharge to the Bank on demand all monies and liabilities whatever, whenever and however incurred whether now or in the future due, or become due, from the Company to the Bank (the "Debt");
 - (ii) charge to the Bank with full title guarantee and as security for the payment or discharge of the Debt:
 - (1) by way of legal mortgage all freehold and leasehold land now vested in the Company together with all buildings, fixtures, fittings and fixed plant and machinery now or at any time afterwards on it;
 - (2) by way of first fixed charge, the chattels (including all additions and improvements to, and replacements of them from time to time), securities, intellectual property and/or other property mentioned in the Second Schedule to the Debenture;
 - (3) by way of first fixed charge (except as already described as charged above):-

- i. all the present and future right, title and interest of the Company in or to any freehold or leasehold land or other immovable property wherever situated and all fixtures, fittings and fixed plant and machinery now or at any time afterwards on it;
- ii. all chattels now or at any time afterwards belonging to the Company. This excludes any of them for the time being forming part of the stock in trade or work-in-progress of the Company or which are, for the time being, otherwise effectively charged by way of legal mortgage or fixed charge by the Debenture;
- iii. the benefit of all rights, licences, guarantees, rent deposits, contracts, deeds, undertakings and warranties relating to any land or other property mentioned above and/or to any trade or business from time to time carried on by the Company;
- iv. all book debts and other debts and monetary claims and any rents, licence fees or other payments due from any lessee, licensee or occupier of any immovable property wherever situated now or at any time afterwards due owing or incurred to the Company. In addition, the full benefit of all guarantees and securities for them and all liens, reservations of title and other rights enabling the Company to enforce any such debts or claims (collectively called the "debts"). This excludes such debts and claims (if any) as the Bank may from time to time have agreed in writing with the Company which shall not be subject to this fixed charge and also such debts and claims described as charged in accordance with paragraph (v) below;
- v. any credit balance on any account of the Company with the Bank;
- vi. any credit balance on any account of the Company with any bank (other than the Bank) or other person;
- vii. all goodwill and uncalled capital for the time being of the Company;
- viii. all stocks, shares, debentures, bonds, loan capital and other securities of any description of any other person (including, without limitation, any subsidiary or subsidiary undertaking of the Company). In addition:
 - (a) all rights to subscribe to or convert other securities into or otherwise acquire any such securities now or at any time afterwards belonging to the Company;
 - (b) all dividends, interest and other income and all other rights of whatsoever kind deriving from or incidental to, any of these (together with any securities mentioned in the Second Schedule to the Debenture, collectively called, the "securities");
- ix. all letters, patent, trademarks, service marks, designs, utility models, copyrights, design rights, applications for registration of any of them and the right to apply for them in any part of the world. In addition, moral rights, inventions, confidential information, know-how and rights of a similar nature arising or subsisting anywhere in the world in relation to all or any of the above (whether registered or unregistered) now or at any time afterwards belonging to the Company (together with any of the same mentioned in the Second

Schedule to the Debenture, collectively called the "intellectual property";

- x. all policies of life insurance or assurance and all rights and claims to which the Company is now, or may at any time afterwards, become entitled in relation to the proceeds of them or of any other policies of insurance of any description (including, without limitation, the insurances mentioned in Clause 8(a) of the Debenture);
 - xi. all rights and other property to which the Company is now, or may at any time afterwards, become entitled as a result of, or in connection with, any proceedings threatened or commenced under the Insolvency Act 1986 or any similar legislation in any jurisdiction;
 - xii. the benefit of all agreements for the provision by the Company to any person of any loan or credit or other financial accommodation of any description (including, without limitation, any finance leases and hire or hire purchase agreements) now, or at any time afterwards, entered into by the Company;
 - xiii. the proceeds of sale of any property mentioned above;
- (4) by way of floating charge, all the undertaking of the Company and all its property whatsoever and wheresoever both present and future. This will not include any part of the same which is, for the time being, effectively charged by way of legal mortgage or fixed charge by the Debenture and recognised as effectively so charged under the laws of the jurisdiction in which the same is situated;

- (c) pursuant to the Accession Letter, the Company will become party to the Facilities Agreement (as a Borrower and Guarantor) and irrevocably and unconditionally:-
- (i) guarantees to the Bank punctual performance by each other Obligor of all that Obligor's obligations under the Banking Documents;
 - (ii) undertakes with the Bank that whenever another Obligor does not pay any amount when due under or in connection with any Banking Document, that it shall immediately on demand pay that amount as if it was the principal obligor; and
 - (iii) indemnifies the Bank immediately on demand against any cost, loss or liability suffered by the Bank if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal;
- (d) pursuant to the Intra Group Loan Agreement, the Company and other subsidiaries of Abacus will agree to make advances at any time and of such sums to Abacus as Abacus considers necessary for the purpose of, inter alia, complying with its obligations under the Facilities Agreement.

The liabilities which are guaranteed and secured pursuant to the Banking Documents include principal and interest payable under the Facilities Agreement together with costs and expenses (including, but not limited to legal and enforcement costs and expenses) plus the subject matter of any indemnities contained in the underlying facilities documentation and any commitment, commissions and agency or arrangement fee.

**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF DELTRON
ELECTRONICS LIMITED (THE "COMPANY") PURSUANT TO SECTION 156(4) OF
THE COMPANIES ACT 1985**

We have examined the attached statutory declaration of the directors dated 20 March 2006, prepared in accordance with applicable United Kingdom law, in connection with the proposed financial assistance to be given by the Company's subsidiary Deltron Emcon Limited, for the acquisition of shares in the Company, particulars of which are provided in the attached statutory declaration.

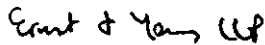
This report is made solely to the directors in accordance with Section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors those matters we are required to state to them in an auditors' report under section 156(4) and for no other purpose. To the fullest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

Basis of opinion

We have enquired into the state of affairs of the Company so far as necessary 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.


Ernst & Young LLP
Registered Auditor
20 March 2006