



CHA 116

COMPANIES FORM No. 155(6)b

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

155(6)b

Please do not
write in this
margin

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

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

* insert full name
of company

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

‡ delete as
appropriate

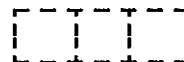
§ delete whichever
is inappropriate

Pursuant to section 155(6) of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number



3133137

Name of company

* TANVEC LIMITED

x/We g JACK FREDERICK HAGGETT OF 41 Drayton Avenue, Orpington, Kent BR6 8JN

PETER JEFFREY WILKINSON OF Oldwick House, Hascombe Road, Godalming,
Surrey GU8 4AB

~~PETER~~ PAUL JANSSENSWILLEN OF Broadlands, Bentley, Farnham, Surrey GU10 5HY

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

The business of this company is:

- ~~(a) that of a (recognised bank) licensed institution within the meaning of the Banking Act 1979~~
~~(b) that of a person authorised under section 3 or 4 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~~ [a] holding company of* PHARMACEUTICAL ENGINEERING AND DESIGN
LIMITED, Company No. 1159740 which is
proposing to give financial assistance in connection with the acquisition of shares
in ~~this company~~ [Elstead Properties Limited, Company No. 1683272
_____ the holding company of this company.]†

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

Cameron McKenna
Mitre House, 160 Aldresgate
Street, London, , EC1A 4DD
DX: 215

(BXM/0X4055.00983.50324364)

For official Use
General Section

Post room



KLO *K33R88C9* 2702
COMPANIES HOUSE 31/07/98

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: 1,533,400 £1 ordinary shares

The assistance is to be given to: (note 2) Tanvec Group Limited, Company No. 3545605
whose registered office is at Mitre House, 160 Aldersgate Street,
London EC1A 4DD

The assistance will take the form of:

See Rider 1

The person who ~~has acquired~~ [will acquire]† the shares is:
Tanvec Group Limited, Company No. 3545605

† delete as
appropriate

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

See Rider 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 £ See Rider 3

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 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 ~~*/~~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 160 Aldersgate Street,
London EC1A 4DD

Declarants to sign below

the twentieth day of July
one thousand nine hundred and ninety eight

before me AB (Tony Brown - Solicitor)

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
CF4 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB

Companies form 155(6)b - Declaration in relation to assistance for the acquisition of shares

**Name of company: Tanvec Limited
 (Re: Pharmaceutical Engineering and
 Design Limited)**

Rider No 1:

Financial assistance will be provided by Pharmaceutical Engineering and Design Limited (the "Company") to Tanvec Group Limited ("Newco") in connection with the acquisition by Newco of the entire issued share capital of the Company's parent company, Elstead Properties Limited (the "Parent").

The financial assistance will take the form of:

1. the Company entering into, and performing its obligations under the following:
 - (a) a Corporate Guarantee to be executed by the Parent, the subsidiaries of the Parent being Tanshire Limited, WT Integrated Systems Limited, Tanvec Limited and Haremead Limited (the "Subsidiaries"), the Company, Newco (all together the "Companies") and Tanvec Limited (the Irish subsidiary of Haremead Limited) ("Tanvec Ireland") in favour of The Governor and Company of the Bank of Scotland (the "Bank") ("the Guarantee") under which each of the Companies and Tanvec Ireland guarantees all the obligations and liabilities of the other to the Bank from time to time including the obligations under or as contemplated by facility letters under which banking facilities (including a term loan of £2,250,000 and a multi-option facility of £1,625,000) are to be made available by the Bank to the Companies (the "Facility Letters"). The Guarantee also incorporates provisions whereby any credit/debit balances of any of the Companies and Tanvec Ireland held by the Bank can be set off against debit/credit balances of any of the other Companies (including Newco) and Tanvec Ireland also held by the Bank;
 - (b) a debenture ("the Debenture") to be entered into by the Company in favour of the Bank to secure, inter alia, the obligations of the Company to the Bank, including the obligations under or as contemplated by the Guarantee;
 - (c) set-off provisions included in the Facility Letters whereby any credit/debit balances of the Companies held by the Bank can be set off against debit/credit balances of any of the other Companies, (including Newco) also held with the Bank (the "Set-Off Provisions");
 - (d) an inter-creditor deed between the Bank, the subordinated loan note holders as listed therein, the Investor (as defined therein) and the Companies (the "Intercreditor Deed");

- (e) a funding agreement between the Companies (the “Intra Group Loan Agreement”) pursuant to which the Parent, the Company and the Subsidiaries will each agree to lend to Newco such amounts as may be required by Newco from time to time to make payments under the Facility Letters (as the same may be amended, replaced, supplemented or novated from time to time) and other purposes;
- (f) a guarantee and debenture to be entered into in favour of Tanshire Holdings PLC whereby the Company guarantees the obligations of Newco under the terms of a loan note instrument entered into in favour of Tanshire Holdings PLC and creating fixed and floating charges over all its assets and undertaking in support of such obligation (the “Vendor Security”);

Companies form 155(6)b - Declaration in relation to assistance for the acquisition of shares

Name of company: **Tanvec Limited**
 (Re: Pharmaceutical Engineering and
 Design Limited)

Rider No 2:

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

1. Under the Guarantee the Company undertakes to pay and discharge the indebtedness and all liabilities for the time being due owing or incurred by the Company to the Bank (which includes its guarantee liabilities in respect of all monies and liabilities which shall from time to time be due owing or incurred by any of the other Companies and Tanvec Ireland) whether due actually or contingently, solely or jointly with any other persons and whether as principal or surety.
2. Under the Debenture the Company will create fixed and floating charges over all the property, assets and undertaking of the Company as security for its obligations and liabilities to the Bank from time to time. In addition the Company agrees, if and when required by the Bank, to execute such further encumbrances and assurances in favour or for the benefit of the Bank as the Bank thinks fit over all its undertaking, property, assets, rights and revenues whatever, present and future, wherever situated in the world as the Bank shall from time to time require.
3. The principal terms of the Intra Group Loan Agreement are as mentioned in Rider 1 and are in addition:
 - (a) the rate of interest payable on any loan made under the terms of the Intra Group Loan Agreement is to be the same rate as under the Facility Letters.
 - (b) the Company will continue to make monies available to be borrowed by Newco so long as Newco has any outstanding liabilities under the Facility Letters.
 - (c) the monies lent by the Company are to be repayable upon demand.
4. The entering into the Set-Off Provisions contained in the Facility Letters as mentioned in Rider 1.
5. The principal terms of the Intercreditor Deed include an undertaking by the Company that it shall not release any of the Subordinated Debt and/or the

Investor Debt (each as therein defined) except as permitted as set out in the Intercreditor Deed.

6. The principal terms of the Vendor Security are that it will create fixed and floating charges over all the property, assets and undertaking of the Company as security for its obligations and liabilities to Tanshire Holdings PLC under a guarantee to Tanshire Holdings PLC in respect of the obligations of Newco under a loan note instrument.

Companies form 155(6)b - Declaration in relation to assistance for the acquisition of shares

Name of company: **Tanvec Limited**
 (Re: Pharmaceutical Engineering and
 Design Limited)

Rider No 3 - The amount of cash to be transferred to the person assisted is:

1. Under the Intra Group Loan Agreement the amount transferred is without any stated limit, other than the availability thereof to the Company.
2. Under the Guarantee the amount transferred is none.
3. Under the Debenture the amount transferred is none.
4. Under the Set-Off Provisions the amount transferred will be up to a maximum of the credit balances of the Company with the Bank from time to time.
5. Under the Vendor Security the amount transferred is none.

**Auditors' report to the directors of Tanvec Limited
pursuant to section 156(4) of the Companies Act 1985**

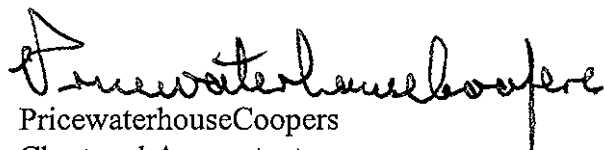
We have examined the attached statutory declaration of the directors of Tanvec Limited ('the Company') dated 20 July 1998 in connection with the proposal that the Company's subsidiary, Pharmaceutical Engineering and Design Limited, should give financial assistance for the purchase of the entire ordinary share capital of the Company's holding company, Elstead Properties Limited.

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.



PricewaterhouseCoopers

Chartered Accountants

Reading

20 July 1998