

COMPANIES FORM No. 155(6)b

155(6)b

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

Please do not
write in
this margin

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

--	--	--

3611347

Name of company

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

*
QUILLER HOLDINGS LIMITED

Insert full name
company

~~I/We~~ DEREK O'NEILL of Oakley Home, Venley Close, Woughten on the Green,
Milton Keynes MK6 3ER and GEORGE RALPH of 367 Great North Road, Eaton
Ford, St Neots, Cambridgeshire PE19 7FP

Insert name(s) and
address(es) of all
the directors

† Delete as
appropriate

~~xx the sole director~~ [all the directors] of the above company (hereinafter called 'this 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 3 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 [the] [a] holding company of * QUILLER ELECTRONICS LIMITED

which is

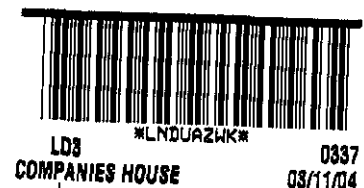
proposing to give financial assistance in connection with the acquisition of shares
in [this company]

~~the holding company of this company~~

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

Jones Day
21 Tudor Street
London
EC4Y 0DJ
DX 67 - London/Chancery

For official Use (10/02)
General Section



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

The number and class of the shares acquired or to be acquired is:
See Exhibit One

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

The assistance is to be given to: (note 2)
See Exhibit Two

The assistance will take the form of:

See Exhibit Three

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

† Delete as
appropriate

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

See Exhibit Four

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is See Exhibit 5

The amount of cash to be transferred to the person assisted is £ See Exhibit 5

The value of any asset to be transferred to the person assisted is £ See Exhibit 5

Please do not
write in
this margin

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

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

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

~~1/~~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) ~~1/~~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) ~~It is intended to commence the winding up of this company within 12 months of that date; and 1/ 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 ~~1/~~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

Declarants to sign below

Day Month Year
on 29 11 2004

before me


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 auditor's 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

DX 33050 Cardiff

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

DX 235 Edinburgh
or LP-4 Edinburgh 2

Company number 3611347

QUILLER HOLDINGS LIMITED

("the Company")

in respect of Quiller Electronics Limited ("the Subsidiary")

Exhibits to Form 155(6)b

Exhibit 1

The entire issued share capital of the Company, being 137,500 ordinary shares of 50p each

QUILLER HOLDINGS LIMITED

(the "Company")

Exhibit 2

Assistance is to be given:

1. in connection with the Transactions, to the Vendors and Valley; and
2. in connection with the Financing Agreement, the Hive-up Agreement and the Inter-Group Loan Agreement, to the Purchaser and the Purchaser's Subsidiary.

Definitions used in this Declaration:

Bank	means Barclays Bank plc
Excluded Assets Agreement	means the agreement relating to certain assets of the Company and the Subsidiary and made between the Company, the Subsidiary and Valley Microelectronics Limited ("Valley") and the Vendors (other than Gerald Clive Barker and Joyce Barker)
Financing Agreement	means the guarantee and debenture to be given by the Subsidiary to the Bank in respect, inter alia, of obligations of the Purchaser
Hive-up Agreement	means the asset sale and purchase agreement for the possible sale and purchase of the business of the Company and to be entered into between the Company and Purchaser's Subsidiary
Inter-Company Debt	means the sum of £57,000 owed by Valley to the Subsidiary
Inter-Group Loan Agreement	means the loan agreement to be entered into between the Subsidiary, the Company and the Purchaser
Purchaser	means Deltron Electronics plc (company number 2614913)
Purchaser's Subsidiary	means Deltron UK Limited (company number SC047026)
Vendors	means each of (i) Gerald Barker and Joyce Barker of 2534 Ramona Street, Palo Alto, California, 94301 United States of America (ii) Trevor John Barker of 10 Solent Road, Bournemouth, BH6 4BP (iii) David Howard Rees Brace of Brian Lees, Field Way, Compton Down, Winchester, SO21 2AF and (iv) James Richard Clarke, Mooreside House, Mooreside, Sturminster Newton, Dorset, DT10 1HM

the Waiver

means the release and waiver of the Inter-Company Debt contained in the Excluded Assets Agreement

Transactions

means the transactions described in the Excluded Assets Agreement

References to any person in this declaration include such person's successors in title, transferees and assigns.

References to any document or agreement in this declaration include that document or agreement as amended, restated, novated or supplemented from time to time.

QUILLER HOLDINGS LIMITED

Exhibit 3

(A) *In connection with the Transactions:*

The entry into and the performance by the Subsidiary of its obligations under the Excluded Assets Agreement, pursuant to which, inter alia

- (i) the Subsidiary is disposing of, amongst other things, the following assets:
 - (a) its property at Units 1 and 2, 2-4 Paisley Road, Southbourne, Bournemouth, Dorset;
 - (b) certain plant and equipment and other items listed in Schedule 2 of the Excluded Assets Agreement;
 - (c) the cars listed in Schedule 5 of the Excluded Assets Agreement; and(together the "Excluded Assets")
- (ii) the Subsidiary is to waive and release the Inter-Company Debt.

(B) *In connection with the Financing Agreement, the Hive-up Agreement and the Inter-Group Loan Agreement:*

1. The granting by the Subsidiary of the guarantee and debenture contained in the Financing Agreement in favour of the Bank containing charges over the whole of its property, undertaking and assets, both present and future (including by way of fixed charges and a floating charge) and pursuant to which the Company will guarantee, inter alia, the payment by the Purchaser of all monies and liabilities due or incurred by the Purchaser to the Bank.
2. The entry into and the performance by the Subsidiary of its obligations under the Hive-up Agreement pursuant to which the Subsidiary is to transfer its business and assets to the Purchaser's Subsidiary.
3. The execution of the Inter-Group Loan Agreement between the Subsidiary, the Company and the Purchaser pursuant to which the Company will lend money to service interest and repay advances and make other payments under the bank facilities from the Bank to the Purchaser.

QUILLER HOLDINGS LIMITED

Exhibit 4

Under the terms of the Excluded Assets Agreement, the Subsidiary is to sell the Excluded Assets to the Vendors (other than Gerald Clive Barker and Joyce Barker) for a consideration which may be less than market value in connection with certain of the Excluded Assets. In addition on completion of the Excluded Asset Agreement the Subsidiary shall be deemed to waive its rights to receive payment of and to relieve Valley from any further liability to repay the Inter-Company Debt.

Under the terms of the Financing Agreement the Subsidiary undertakes to pay or discharge its own monies and liabilities due and the guarantee the payment and discharge of the money and liabilities of the Purchaser and members of its group due to the Bank and to secure such obligations by way of fixed and floating charges over all of the Subsidiary's property assets and undertaking. In addition, pursuant to the terms of the Financing Agreement, the Company agrees that it will, on demand in writing by the Bank, execute and deliver to the Bank (at the Company's own cost) any document that the Bank may require further to secure the payment of the Indebtedness (as defined in the Financing Agreement) or to create, enhance or perfect any fixed security over any assets of the Company or to give full effect to the Financing Agreement or to vest title to any such asset in the Bank or its nominee or purchaser.

Under the terms of the Hive-up Agreement, the Purchaser's subsidiary has the ability to require, within a certain period, the Company to transfer its business and assets to the Purchaser's Subsidiary for:

- (i) a sum (which will remain due on interest free inter company loan account) equal to the net book value of the assets at the time of the transfer (and the sum of £1 in aggregate for such assets to which no value is attributed in the financial records of the Subsidiary as at the date of transfer); and
- (ii) taking on an obligation to assume and discharge certain liabilities.

Under the terms of the Inter-Group Loan Agreement the Subsidiary will provide to the Purchaser a loan facility of up to a maximum amount of £3 million to assist the Purchaser in meeting its obligations to the Bank.

QUILLER HOLDINGS LIMITED

Exhibit 5

1. The amount by which the net assets of the company giving the assistance will be reduced by giving it is £57,000 being the amount of the waiver and release of the Inter-Company Debt
2. The amount of the cash to be transferred to the persons assisted is Nil
3. The value of assets to be transferred to the persons assisted is as follows:

(a) Under the Transactions:

(i)	the Excluded Assets	£480,496.46
(ii)	the Inter-Company Debt	£57,000

(b) Under the Financing Agreement: Nil

(c) Under the Hive-Up Agreement: £1,885,049

(d) Under the Intra-Group Loan Agreement Nil

Deloitte.

Deloitte & Touche LLP
Leda House
Station Road
Cambridge CB1 2RN
Tel: +44 (0) 1223 460222
Fax: +44 (0) 1223 350839
DX 5812
www.deloitte.co.uk

The Directors
Quiller Holdings Limited
Ashley House
5 Grosvenor Square
Southampton
SO15 2BE

CERTIFIED TO BE A TRUE COPY OF THE ORIGINAL

Jones Day

JONES DAY
21 TUDOR STREET
LONDON EC4Y 0DJ

21/11/04

Our ref: RCK/SRK

Dear Sirs,

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

We have examined the attached statutory declaration of the directors of the Company dated 29 October 2004 in connection with the proposal that the Company's subsidiary, Quiller Electronics Limited, should give financial assistance for the purchase of 137,500 of the Company's ordinary shares.

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

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 is unreasonable in all the circumstances.

Deloitte & Touche LLP

Deloitte & Touche LLP
Cambridge
Chartered Accountants and Registered Auditors
29 October 2004

Audit. Tax. Consulting. Corporate Finance.

Member of
Deloitte Touche Tohmatsu