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COMPANIES FORM No. 155(6)a

Declaration in relation to assistance for the acquisition of shares

155(6)a

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

For official use

Company number

1082975

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

Name of company

* HM Plant Limited (the "Company")

* insert full name
of company§ insert name(s) and
address(es) of all
the directors

*/We David Andrew Hearne, Elm Gables, Rectory Lane, Farnham, Surrey GU10
5JS, David Nigel Hopkins, 32 Squires Road, Stretton on Dunsmore,
Rugby, Warwickshire CV23 9HF, Stephen Francis Howard, 36 Buckingham
Road, Wilmslow, Cheshire SK9 5LB, John James Jones, 12 Farriers
Green, Monkton, Taunton, Somerset TA2 8PR, Andrew Jonathan Raine, 11
Sandy Lane, Charlton Kings, Cheltenham GL53 9BS, Bryan James Warren
130 Wells Road, Glastonbury, Somerset BA6 9AQ

† delete as
appropriate~~(the sole director)~~ [all 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 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 proposing to give financial assistance in connection with the acquisition of shares in the

[company] ~~[company's holding company]~~ Heavy Machinery Group

Limited†

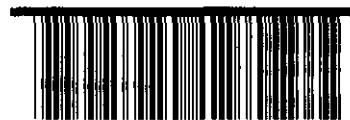
The assistance is for the purpose of [that acquisition] ~~[reducing or discharging a liability incurred for the purpose of that acquisition]†~~The number and class of the shares acquired or to be acquired is: 194,453 ordinary shares of 10p
each, 194,453 'A' ordinary shares of 10p each and 97,226 'A' ordinary redeemable shares of 10pPresentor's name address and
reference (if any):

Addleshaw Booth & Co
Sovereign House, PO Box 8,
Sovereign Street, Leeds,
LS1 1HQ

DX 12004 Leeds
Ref: RCM/1556hmp.lfd

For official Use
General Section

Post room

A25
COMPANIES HOUSE

ATXSQMUC

0462
05/01/00

The assistance is to be given to: (note 2) Heavy Machinery Group Subsidiary Limited (no. 3873738) whose registered office is at 36-38 Castlefields Industrial Estate, Bridgwater, Somerset TA6 4DH

Please do not write in this margin

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

The assistance will take the form of:

See Annexure A

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

[†] delete as appropriate

Heavy Machinery Group Subsidiary Limited whose registered office is as above.

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

See Annexure B

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 today 19

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

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 ADDRESS AN BOOTH & CO
SOVEREIGN STREET, SOVEREIGN HSE
LEEDS

the 22ND day of DECEMBER
one thousand nine hundred and NINETY NINE

before me homer dougan (LOUISA
DOUGAN)

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

Declarants to sign below

S. Howard.
Marie
David Howard
Josephine

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
37 Castle Terrace
Edinburgh
EH1 2EB

Annexure A

- 1 The execution of the following as the same may be amended varied supplemented or substituted from time to time:
 - 1.1 an inter-company guarantee (the "Guarantee") by HM Group Holdings Limited ("HMG Holdings"), being the parent of Heavy Machinery Group Subsidiary Limited ("HMG Subsidiary"), Heavy Machinery Group Limited ("HM Group"), HMG Subsidiary and each of the Company, Talbot Diesels Limited, HM Rogers Limited and Just Dial Rentals Limited (the "Subsidiaries") (as guarantors) in favour of The Governor and Company of the Bank of Scotland (the "Bank") on account of HM Group, HMG Holdings, HMG Subsidiary and each of the Subsidiaries (as principals);
 - 1.2 a debenture containing a fixed charge over all present and future freehold and leasehold property, book and other debts, securities, goodwill, intellectual property and uncalled capital and a floating charge over all assets and undertakings both present and future (the "Debenture") to be executed by HMG Holdings, HMG Subsidiary, each of the Subsidiaries and HM Group;
 - 1.3 an inter creditor deed (the "Inter Creditor Deed") to be made between the Bank, HMG Holdings, HMG Subsidiary, HM Group, the Subsidiaries and the Investors (as defined therein);
 - 1.4 a standard security (the "Standard Security") to be entered into by the Company, HM group and Talbot Diesels Limited in favour of the Bank over the subjects situate at 1 Wardpark Road, Wardpark South Industrial Estate, Cumbernauld, Title Number DMB54961/
 - 1.5 a counter indemnity (the "Counter Indemnity") to be entered into, inter alia, by the Company in respect of any guarantee or indemnity entered into by the Bank at the Company's expense.
 - 1.6 legal charges to be entered into by the Company in respect of the following properties (the "Properties");
 - 1.6.1 land and buildings on the south side of East Way, Lee Mill, South Hampshire, Devon, Title Number DN187754;
 - 1.6.2 and at Foxhall Road, Didcot, Oxfordshire, Title Number ON114601;
 - 1.6.3 22 Kingsland Grange, Woolston, Warrington, WA1 4RW, Title Number CH20 1221;

- 1.6.4 Castlefields Industrial Estates, Bridgewater, Somerset as more particularly described in a conveyance dated 30th June 1984 between C H Beazer Premises Limited (1) and C H Beazer (Plant Sales) Limited (2);
- 1.6.5 Littleburn Industrial Estate, Meadowfield, Durham, Title Number DU 113662;
- 1.6.6 Land at Roxton Road, Barford, Bedfordshire MK44 3LP more particularly described in conveyances between Hannah Green (1) WH & J Rogers (Engineers) Limited (2) dated 13th January 1955, 17th December 1945, 14th April 1959 and 31st May 1945, and a conveyance dated 1st March 1974 between Charles Sidney Green (1) and Rogers Engineers Limited (2) (the "Legal Charges")

(together the "**Funding Documents**").

2 The undertaking of liabilities in respect of:

- 2.1 a facility agreement to be made between HMG Subsidiary and the Bank for the provision of a term loan of £11,000,000 and a guarantee facility of ~~£8,371,101~~ to HMG Subsidiary (the "**Loan Agreement**");
£8,289,218
- 2.2 a working capital facility agreement to be made between HMG Subsidiary and the Bank for the provision of an overdraft of £3,500,000 including a forex facility to HMG Subsidiary (the "**Overdraft**");

Annexure B

- 1 Under the terms of the Guarantee the Company, inter alia, guarantees to the Bank the payment of the Secured Liabilities of the obligations of each of the Company, HM Group, HMG Holdings, HMG Subsidiary and the Subsidiaries to the Bank together "**the Principals**"). The obligations include obligations under the following:
 - 1.1 the Loan Agreement; and
 - 1.2 the Overdraft
- 2 Under the terms of the Debenture the Company further charges by way of fixed and floating charges all of its assets and undertakings as security for the payment and discharge of all monies, liabilities and obligations owing at any time by the Company to the Bank including sums owed in terms of the Guarantee. The Company is prohibited from creating any fixed security or mortgage or any other floating charge over the assets having priority over or ranking pari passu with the floating charge created by the Debenture (otherwise than in favour of the Bank) and the Company will have no power without the consent of the Bank to part with or dispose of any part of those assets except by way of sale in the ordinary course of its business.

Except in respect of any assets situated in Scotland, the Bank may at any time, by notice to the Company, immediately convert the floating charge created in the Debenture into a fixed charge over any assets specified in that notice and the floating charge will, without notice from the Bank, automatically be converted with immediate effect into a fixed charge:

 - 2.1 in respect of any assets which become subject to a fixed charge in favour of any other person or to a disposition otherwise than by way of sale in the ordinary course of the Company's business immediately upon such charge or disposition;
 - 2.2 in respect of all the assets charged under the Debenture if and when the Company ceases to carry on business or to be a going concern; and
 - 2.3 in respect of all assets on the making of an order for the compulsory winding-up of the Company or on the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Company or on the presentation of a petition for the making of an administration order in relation to the Company or on the presentation of an application for a warrant of execution, writ of fieri facias, garnishee order or charging order.
- 3 In entering into the Inter Creditor Deed the Company is complying with a condition of the Funding Documents in relation to the acquisition of HM Group by HMG Subsidiary.

- 4 Under the terms of the Standard Security, the Company enters into security for all sums, present and future, owing to the Bank under the Loan Agreement and hereby:
- 4.1 grants a Standard Security in favour of the Bank over the Property (as therein defined);
- 4.2 assigns its whole right, title and interest in and to the Property Insurance Proceeds (as therein defined) to the Bank);
- 5 In terms of the Counter-Indemnity the Company agrees to keep the Bank indemnified against all actions, proceedings, liability, claims, damages, costs and expenses which may be raised against the Bank or incurred by the Bank in consequence of the Bank having joined in any guarantees or indemnity at the Company's request or in connection therewith in any manner;
- 6 Under the Legal Charges, the Company grants a specific fixed charge over the Properties and fixed charges over goodwill relating to the Properties in favour of the Bank to secure all sums of money, liabilities and obligations owed by the Company to the Bank as more particularly defined in the Bank's Commercial Charge Conditions (1995 Edition) (filed at HM Land Registry under reference MD308F/01).

In this form 155(6)a "Secured Liabilities" shall mean all or any monies and liabilities which shall for the time being (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner by the Principals to the bank whether actually or contingently and whether incurred solely, severally or jointly and whether as principal or surety and whether on account of money advanced, bills of exchange, promissory notes, guarantees, indemnities or otherwise, including interest, discount, commission and other lawful charges or expenses which the bank may in the course of its business charge or incur (including for any advances made by the bank during the three months' period of notice referred to in Clause 6 of the Loan Agreement or in relation to any other liability of the Principals to the bank), together with:-

1. (on a full indemnity basis) all costs and expenses (including without limitation reasonable legal costs) recoverable by the bank from the Principals;
2. (on a full indemnity basis) all reasonable costs and expenses (including without limitation reasonable legal costs) charged or incurred by the bank in perfecting or in or about the recovery or attempted recovery of money due to the bank under this Guarantee; and

interest calculated and accruing daily from demand in accordance with the usual the bank rates and practice on 1 and 2 above.



AUDITORS' REPORT TO THE DIRECTORS OF HM PLANT LIMITED ("THE COMPANY") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

We have examined the attached statutory declaration of the directors dated 22 December 1999 in connection with the proposal that the Company should give financial assistance for the purchase of the whole of the issued share capital of Heavy Machinery Group 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 is unreasonable in all the circumstances.

Deloitte & Touche
Registered Auditors
22 December 1999