

G

COMPANIES FORM No. 155(6)a

Declaration in relation to assistance for the acquisition of shares

155(6)a

CHFP025

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

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

01439213

Name of company

* HHT LIMITED

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

* insert full name of company

We JOHN HOWARD HOUSEMAN OF 18 WHITEOAKS, WILDWOOD, STAFFORD, STAFFORDSHIRE ST17 4SL;

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

WILLIAM LAWRIE PAULIN OF 76 HIGHFIELD ROAD, CHELMSFORD, ESSEX CM1 2NQ; AND

STUART VINCE HARRISON OF 49 MEADOWSIDE, EAST TWICKENHAM, MIDDLESEX TW1 2JQ

† 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 person authorised or licensed to carry on the business of a bank within the meaning of the Banking Act 1979~~

~~(b) that of a person authorised or licensed to carry on the business of an 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] ~~somebody's holding company~~ _____ 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: SEE APPENDIX 1

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

Wollastons
Brierly Place, New London
Road, Chelmsford, Essex,
CM2 0AP

For official Use
General Section

Post room



A25
COMPANIES HOUSE

0024
13/04/02

The assistance is to be given to: (note 2) CROFTACRE HOLDINGS LIMITED - COMPANY NO 04149040

WHOSE REGISTERED OFFICE IS SITUATED AT PEMBROKE HOUSE, 11 NORTHLANDS PAVEMENT,
PITSEA, BASILDON SS13 3DX ("CROFTACRE")

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 APPENDIX 2

The person who ~~has acquired~~ ^{SAW} will acquire† the shares is:

CROFTACRE HOLDINGS LIMITED (COMPANY NO 04149040)

† delete as
appropriate

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

SEE APPENDIX 3

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

1,090,000 (one million and ninety thousand pounds) ^{SAW}

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

SEE APPENDIX 4

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

~~W~~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) ~~W~~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 the date on which 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)

Handwritten initials: W, S, W, S, W, S

And ~~w~~e 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

New London Road
Chelmsford

Declarants to sign below

on

Day	Month	Year
10	04	2002

before me Nicholas Cook

Handwritten signatures of two declarants

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

APPENDIX 1

**HHT LIMITED (the "Company")
Company Number 01439213**

**Directors Statutory Declaration Form 155(6)(a)
Dated 10 April 2002**

The number and class of shares acquired or to be acquired is: 100,000 ordinary shares of £1 each, 16,666 A ordinary shares of £1 each and 50,000 cumulative convertible participating preferred ordinary shares of £1 each

APPENDIX 2

HHT LIMITED (the "Company") Company Number 01439213

Directors Statutory Declaration Form 155(6)(a)

Dated 10 April 2002

The assistance will take the form of the execution, delivery and performance by the Company of the following (as the same may be amended, varied, supplemented or substituted from time to time):-

1. a deed of acceptance and authority in relation to an offer letter dated 2 April 2002 from First National Invoice Finance Limited ("First National") for the provision by First National to the Company of confidential invoice discounting services on the terms of the offer letter (the "Invoice Discounting Agreement");
2. a fixed charge on all book debts and related rights and floating charge on all other property to be entered into between (1) the Company and (2) First National pursuant to which the Company covenants and undertakes on demand to discharge all monetary obligations owed to First National (including but not limited to those arising under the First National Guarantees (as defined below)) and to perform all other obligations owed to First National, and as continuing security for the payment and discharge of such covenant and undertakings with full title guarantee and as continuing security creates in favour of First National a fixed charge on all book debts and related rights and a floating charge over all of the other property, assets and undertaking of the Company (both present and future) (the "First National Charge");
3. guarantees and indemnities to be entered into between (1) the Company, and (2) First National pursuant to which the Company will inter alia guarantee the on demand payment and discharge to First National of all indebtedness, obligations and liabilities (whether present or future, actual or contingent) from time to time due, owing or incurred by each of The Premier Screw & Repetition Company Limited, Croftacre Limited and Homer of Redditch Limited (all subsidiaries of Croftacre Holdings Limited ("Croftacre")) to First National, and will indemnify First National against any losses incurred by First National as a result of the insolvency or default (of their obligations to First National) of any of such companies (the "First National Guarantees");
4. a guarantee and indemnity to be entered into between (1) the Company and (2) SAK Callander Finance Limited ("SAK") under which the Company will inter alia undertake on demand to guarantee performance and discharge of all obligations of Croftacre to SAK and payment of all monies due at any time to SAK by Croftacre, including under the terms of a loan agreement dated on or about the date of this statutory declaration between SAK and Croftacre (the "SAK Facility") and under which the Company undertakes to indemnify SAK on demand against all losses, costs, expenses or similar, incurred or suffered by SAK under the terms of said guarantee and indemnity (the "SAK Guarantee");

5. a mortgage deed to be entered into between (1) the Company and (2) SAK pursuant to which the Company with full title guarantee will create in favour of SAK a legal mortgage over the premises of the Company being land lying to the north east side of Heath Road, Darlaston, registered at HMLR with Title Number WM38243; land and buildings on the south side of Heath Road, Darlaston, registered at HMLR with Title Number WM290537; and land and buildings on the south west side of Heath Road, Darlaston, registered at HMLR with Title Number WM376665 (such properties together being "the Properties") as security for the payment and discharge of all monies, obligations and liabilities from time to time due, owing or incurred by the Company to SAK including under the terms of the SAK Guarantee (the "SAK Mortgage");
6. a debenture to be entered into between (1) the Company and (2) SAK pursuant to which the Company with full title guarantee will create in favour of SAK a fixed and floating charge over all of the property, assets and undertaking of the Company as security for the payment and discharge of all moneys, obligations and liabilities from time to time due, owing or incurred by the Company to SAK including under the terms of the SAK Guarantee (the "SAK Debenture");
7. a facility agreement to be entered into between (1) the Company and (2) Davenham Trust Plc ("Davenham") pursuant to which Davenham will make available to the Company a loan facility of £1,100,000 (the "Davenham Facility");
8. a legal charge to be entered into between (1) the Company and (2) Davenham pursuant to which the Company, with full title guarantee, will charge by way of legal mortgage the Properties as security for a covenant on demand to pay or discharge all money and liabilities from time to time owing or incurred by the Company (whether as principal or agent, actual or contingent, solely or jointly with any other person) to Davenham (the "Davenham Charge");
9. a debenture to be entered into between (1) the Company and (2) Davenham pursuant to which the Company will covenant to Davenham and each member of its group, to repay on demand all monies and liabilities from time to time owing or incurred by the Company (whether as principal or agent, actual or contingent, solely or jointly with any other person) to Davenham and each member of its group, including costs, charges and expenses of Davenham and each member of its group, and as security for such covenant charges with full title guarantee and by way of fixed and floating charges, all of the property assets and undertaking of the Company (both present and future) (the "Davenham Debenture");
10. an inter-company loan agreement to be entered into between (1) the Company and (2) Croftacre pursuant to which the Company will make a loan of up to a maximum amount of £2,000,000 available to Croftacre for the purpose of, inter alia, funding the consideration payable by Croftacre for the acquisition of the entire issued share capital of the Company and costs and expenses associated therewith (the "Loan Agreement"); and
11. the repayment of the Company's current overdraft and loan facilities, made available to it by its bankers, Barclays Bank Plc (the "Repayment").

APPENDIX 3

HHT LIMITED (the "Company") Company Number 01439213

Directors' Statutory Declaration Form 155(6)(a) Dated 10 April 2002

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

- 1 Under the terms of the Invoice Discounting Agreement (which is being made available by First National inter alia for the purpose of financing the working capital requirements of the Company and assisting in the funding of the acquisition by Croftacre of the entire issued share capital of the Company) the Company will sell to First National all of the Company's right, title and interest in certain debts due (directly or indirectly) to the Company from customers in respect of goods and services supplied (directly or indirectly) by the Company. The terms of such sale under the Invoice Discounting Agreement include commercial provisions regarding costs and charges to be paid by the Company, warranties of title to the debts by the Company and obligation of the Company to repurchase debts, title and resale.
- 2 Under the terms of the First National Charge the Company will, inter alia, covenant and undertake on demand to discharge all monetary obligations owed to First National (including but not limited to those arising under the First National Guarantees) and to perform all other obligations owed to First National and as security for such covenant and undertaking and as continuing security for the payment and discharge of such covenant and undertakings the Company with full title guarantee and as continuing security creates in favour of First National a fixed charge on all book debts and related rights and a floating charge over all of the other property, assets and undertaking of the Company (both present and future).
- 3 Under the terms of the First National Guarantees the Company will, inter alia, guarantee the on demand payment and discharge to First National of all indebtedness, obligations and liabilities (whether present or future, actual or contingent) from time to time due, owing or incurred by each of The Premier Screw & Repetition Company Limited, Croftacre Limited and Homer of Redditch Limited (all subsidiaries of Croftacre) to First National and will indemnify First National against any losses incurred by First National as a result of the insolvency or default (of their obligations to First National) of any of such companies.
- 4 Under the terms of the SAK Guarantee, the Company will, inter alia, guarantee the on demand payment and discharge to SAK of all indebtedness, obligations and liabilities (whether present or future, actual or contingent) from time to time due, owing or incurred by Croftacre to SAK and will indemnify SAK against any losses incurred by SAK as a result of the insolvency of or default of Croftacre's obligations to SAK, inter alia under the SAK Facility, which is being made available by SAK for the purpose of assisting in the funding of the acquisition by Croftacre of the entire issued share capital of the Company and costs and expenses associated therewith.

- 5 Under the terms of the SAK Mortgage, the Company will, inter alia, covenant to pay and discharge on demand all monies, obligations and liabilities of any kind (whether present or future, actual or contingent) from time to time due, owing or incurred by the Company to SAK including under the SAK Guarantee and as continuing security for the payment and discharge of such monies, obligations and liabilities, the Company with full title guarantee will create in favour of SAK a legal mortgage over the Properties.
- 6 Under the terms of the SAK Debenture the Company will, inter alia, covenant to pay and discharge on demand all monies, obligations and liabilities of any kind (whether present or future, actual or contingent) from time to time due, owing or incurred by the Company to SAK including under the SAK Guarantee and as continuing security for the payment and discharge of such monies, obligations and liabilities, the Company with full title guarantee will create in favour of SAK a legal mortgage over all freehold and leasehold property of the Company and a fixed and floating charge over all of the present and future property, assets and undertaking of the Company.
- 7 Under the terms of the Davenham Facility, Davenham will make available to the Company a loan facility of £1,100,000 (which is being made available by Davenham inter alia for the purpose of financing the working capital requirements of the Company and assisting in the funding of the acquisition by Croftacre of the entire issued share capital of the Company) on commercial terms as to interest, fees, charges and expenses, repayment and security.
- 8 Under the terms of the Davenham Charge, the Company will, with full title guarantee, charge by way of legal mortgage the Properties as security for a covenant on demand to pay or discharge all money and liabilities from time to time owing or incurred by the Company (whether as principal or agent, actual or contingent, solely or jointly with any other person) to Davenham.
- 9 Under the terms of the Davenham Debenture, the Company will covenant to Davenham and each member of its group, to repay on demand all monies and liabilities from time to time owing or incurred by the Company (whether as principal or agent, actual or contingent, solely or jointly with any other person) to Davenham and each member of its group, including costs, charges and expenses of Davenham and each member of its group, and as security for such covenant charges with full title guarantee and by way of fixed and floating charges, all of the property assets and undertaking of the Company (both present and future).
- 10 Under the terms of the Loan Agreement the Company will make a loan available to Croftacre of up to a maximum amount of £2,000,000 (the "Loan") for the purpose of, inter alia, funding the consideration payable by Croftacre for the acquisition of the entire issued share capital of the Company and the costs and expenses associated therewith. The Loan will be unsecured, interest free and repayable on demand by the Company.
- 11 By making the Repayment, the Company will repay all monies owed to Barclays Bank Plc, in advance of the due date for repayment of such facilities. The facilities being repaid may be on more favourable commercial terms than those available to the

Company pursuant to the Davenham Facility and the Invoice Discounting Agreement,
and the Company may incur early repayment costs and charges.

APPENDIX 4

**HHT LIMITED (the "Company")
Company Number 01439213**

**Directors Statutory Declaration Form 155(6)(a)
Dated 10 April 2002**

The date on which the assistance is to be given is on a date within 8 weeks of the date of this Declaration.

Friend Boyden

Please quote our reference
on all correspondence

Our Ref: 2H.814/PCC/SRB

Your Ref:

Pembroke House
11 Northlands Pavement
Pitsea Basildon Essex SS13 3DX

Telephone: 01268 550000
Facsimile: 01268 550381
e-mail: friendboyd@aol.com

REPORT OF THE AUDITORS TO THE DIRECTORS OF HHT LIMITED ("the Company") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

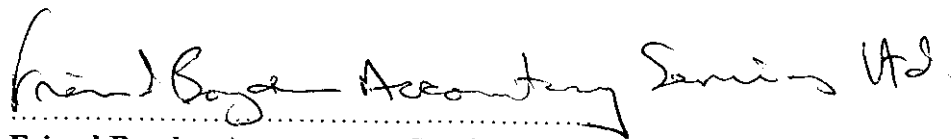
We have examined the attached statutory declaration of the directors dated the date of this report in connection with the proposal that the Company should give financial assistance for the purchase of the entire issued share capital of the Company.

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 declarations as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.



Friend Boyden Accountancy Services Ltd
Chartered Certified Accountants

Date... 10 APRIL 2002

CHARTERED CERTIFIED ACCOUNTANTS & REGISTERED AUDITORS

Directors: Keith Tremain, F.C.C.A. Philip Cooksley F.C.C.A.

Regulated for a range of investment business activities by the Association of Chartered Certified Accountants. Friend Boyden Accountancy Services Limited Company No. 3597714
Registered in England and Wales Registered Office: Pembroke House 11 Northlands Pavement Pitsea Basildon Essex. SS13 3DX



COMPANIES FORM No. 155(6)a

Declaration in relation to assistance for the acquisition of shares

155(6)a

CHFP025

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

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

01439213

Name of company

* HHT LIMITED

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

* insert full name of company

~~W~~ JOHN HOWARD HOUSEMAN OF 18 WHITEOAKS, WILDWOOD, STAFFORD, STAFFORDSHIRE ST17 4SL;

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

WILLIAM LAWRIE PAULIN OF 76 HIGHFIELD ROAD, CHELMSFORD, ESSEX CM1 2NQ; AND

STUART VINCE HARRISON OF 49 MEADOWSIDE, EAST TWICKENHAM, MIDDLESEX TW1 2JQ

† 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 person authorised under section 307 of the Insurance Companies Act 1989 to carry on insurance business in the United Kingdom~~
- ~~(b) that of a person authorised under section 307 of the Insurance Companies Act 1989 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] ~~somebody'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: SEE APPENDIX 1

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

Wollastons
Brierly Place, New London Road, Chelmsford, Essex, CM2 0AP

For official Use
General Section

Post room

The assistance is to be given to: (note 2) CROFTACRE HOLDINGS LIMITED -COMPANY NO 04149040
WHOSE REGISTERED OFFICE IS SITUATED AT PEMBROKE HOUSE, 11 NORTHLANDS PAVEMENT,
PITSEA, BASILDON SS13 3DX ("CROFTACRE")

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 APPENDIX 2

MD
3/12

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

† delete as
appropriate

CROFTACRE HOLDINGS LIMITED (COMPANY NO 04149040)

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

SEE APPENDIX 3

The amount of cash to be transferred to the person assisted is £ 1,090,000

JAR
MD

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 SEE APPENDIX 4

Please do not write in this margin

~~X~~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)

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

MD
JD
MD
JD

(a) ~~X~~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)

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

~~(b) [X] 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)~~

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 WARRGERS CO
25 COMONS ROW
BIRMINGHAM B3 2AS

Declarants to sign below

John H. Hamilton

on

Day	Month	Year
1	0	2
0	4	0
2	0	0
0	2	

before me *M. O'N*

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

APPENDIX 1

MS
PK

HHT LIMITED (the "Company")
Company Number 01439213

Directors Statutory Declaration Form 155(6)(a)

Dated 10/4 2002

The number and class of shares acquired or to be acquired is: 100,000 ordinary shares of £1 each, 16,666 A ordinary shares of £1 each and 50,000 cumulative convertible participating preferred ordinary shares of £1 each

APPENDIX 2

mas
Jill

HHT LIMITED (the "Company")
Company Number 01439213

Directors Statutory Declaration Form 155(6)(a)

Dated 10/4 2002

The assistance will take the form of the execution, delivery and performance by the Company of the following (as the same may be amended, varied, supplemented or substituted from time to time):-

1. a deed of acceptance and authority in relation to an offer letter dated 2 April 2002 from First National Invoice Finance Limited ("First National") for the provision by First National to the Company of confidential invoice discounting services on the terms of the offer letter (the "Invoice Discounting Agreement");
2. a fixed charge on all book debts and related rights and floating charge on all other property to be entered into between (1) the Company and (2) First National pursuant to which the Company covenants and undertakes on demand to discharge all monetary obligations owed to First National (including but not limited to those arising under the First National Guarantees (as defined below)) and to perform all other obligations owed to First National, and as continuing security for the payment and discharge of such covenant and undertakings with full title guarantee and as continuing security creates in favour of First National a fixed charge on all book debts and related rights and a floating charge over all of the other property, assets and undertaking of the Company (both present and future) (the "First National Charge");
3. guarantees and indemnities to be entered into between (1) the Company, and (2) First National pursuant to which the Company will inter alia guarantee the on demand payment and discharge to First National of all indebtedness, obligations and liabilities (whether present or future, actual or contingent) from time to time due, owing or incurred by each of The Premier Screw & Repetition Company Limited, Croftacre Limited and Homer of Redditch Limited (all subsidiaries of Croftacre Holdings Limited ("Croftacre")) to First National, and will indemnify First National against any losses incurred by First National as a result of the insolvency or default (of their obligations to First National) of any of such companies (the "First National Guarantees");
4. a guarantee and indemnity to be entered into between (1) the Company and (2) SAK Callander Finance Limited ("SAK") under which the Company will inter alia undertake on demand to guarantee performance and discharge of all obligations of Croftacre to SAK and payment of all monies due at any time to SAK by Croftacre, including under the terms of a loan agreement dated on or about the date of this statutory declaration between SAK and Croftacre (the "SAK Facility") and under which the Company undertakes to indemnify SAK on demand against all losses, costs, expenses or similar, incurred or suffered by SAK under the terms of said guarantee and indemnity (the "SAK Guarantee");

5. a mortgage deed to be entered into between (1) the Company and (2) SAK pursuant to which the Company with full title guarantee will create in favour of SAK a legal mortgage over the premises of the Company being land lying to the north east side of Heath Road, Darlaston, registered at HMLR with Title Number WM38243; land and buildings on the south side of Heath Road, Darlaston, registered at HMLR with Title Number WM290537; and land and buildings on the south west side of Heath Road, Darlaston, registered at HMLR with Title Number WM376665 (such properties together being "the Properties") as security for the payment and discharge of all monies, obligations and liabilities from time to time due, owing or incurred by the Company to SAK including under the terms of the SAK Guarantee (the "SAK Mortgage");
6. a debenture to be entered into between (1) the Company and (2) SAK pursuant to which the Company with full title guarantee will create in favour of SAK a fixed and floating charge over all of the property, assets and undertaking of the Company as security for the payment and discharge of all moneys, obligations and liabilities from time to time due, owing or incurred by the Company to SAK including under the terms of the SAK Guarantee (the "SAK Debenture");
7. a facility agreement to be entered into between (1) the Company and (2) Davenham Trust Plc ("Davenham") pursuant to which Davenham will make available to the Company a loan facility of £1,100,000 (the "Davenham Facility");
8. a legal charge to be entered into between (1) the Company and (2) Davenham pursuant to which the Company, with full title guarantee, will charge by way of legal mortgage the Properties as security for a covenant on demand to pay or discharge all money and liabilities from time to time owing or incurred by the Company (whether as principal or agent, actual or contingent, solely or jointly with any other person) to Davenham (the "Davenham Charge");
9. a debenture to be entered into between (1) the Company and (2) Davenham pursuant to which the Company will covenant to Davenham and each member of its group, to repay on demand all monies and liabilities from time to time owing or incurred by the Company (whether as principal or agent, actual or contingent, solely or jointly with any other person) to Davenham and each member of its group, including costs, charges and expenses of Davenham and each member of its group, and as security for such covenant charges with full title guarantee and by way of fixed and floating charges, all of the property assets and undertaking of the Company (both present and future) (the "Davenham Debenture");
10. an inter-company loan agreement to be entered into between (1) the Company and (2) Croftacre pursuant to which the Company will make a loan of up to a maximum amount of £2,000,000 available to Croftacre for the purpose of, inter alia, funding the consideration payable by Croftacre for the acquisition of the entire issued share capital of the Company and costs and expenses associated therewith (the "Loan Agreement"); and
11. the repayment of the Company's current overdraft and loan facilities, made available to it by its bankers, Barclays Bank Plc (the "Repayment").

APPENDIX 3

MCS
JTB

HHT LIMITED (the "Company")
Company Number 01439213

Directors' Statutory Declaration Form 155(6)(a)

Dated 10/4 2002

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

- 1 Under the terms of the Invoice Discounting Agreement (which is being made available by First National inter alia for the purpose of financing the working capital requirements of the Company and assisting in the funding of the acquisition by Croftacre of the entire issued share capital of the Company) the Company will sell to First National all of the Company's right, title and interest in certain debts due (directly or indirectly) to the Company from customers in respect of goods and services supplied (directly or indirectly) by the Company. The terms of such sale under the Invoice Discounting Agreement include commercial provisions regarding costs and charges to be paid by the Company, warranties of title to the debts by the Company and obligation of the Company to repurchase debts, title and resale.
- 2 Under the terms of the First National Charge the Company will, inter alia, covenant and undertake on demand to discharge all monetary obligations owed to First National (including but not limited to those arising under the First National Guarantees) and to perform all other obligations owed to First National and as security for such covenant and undertaking and as continuing security for the payment and discharge of such covenant and undertakings the Company with full title guarantee and as continuing security creates in favour of First National a fixed charge on all book debts and related rights and a floating charge over all of the other property, assets and undertaking of the Company (both present and future).
- 3 Under the terms of the First National Guarantees the Company will, inter alia, guarantee the on demand payment and discharge to First National of all indebtedness, obligations and liabilities (whether present or future, actual or contingent) from time to time due, owing or incurred by each of The Premier Screw & Repetition Company Limited, Croftacre Limited and Homer of Redditch Limited (all subsidiaries of Croftacre) to First National and will indemnify First National against any losses incurred by First National as a result of the insolvency or default (of their obligations to First National) of any of such companies.
- 4 Under the terms of the SAK Guarantee, the Company will, inter alia, guarantee the on demand payment and discharge to SAK of all indebtedness, obligations and liabilities (whether present or future, actual or contingent) from time to time due, owing or incurred by Croftacre to SAK and will indemnify SAK against any losses incurred by SAK as a result of the insolvency of or default of Croftacre's obligations to SAK, inter alia under the SAK Facility, which is being made available by SAK for the purpose of assisting in the funding of the acquisition by Croftacre of the entire issued share capital of the Company and costs and expenses associated therewith.

- 5 Under the terms of the SAK Mortgage, the Company will, inter alia, covenant to pay and discharge on demand all monies, obligations and liabilities of any kind (whether present or future, actual or contingent) from time to time due, owing or incurred by the Company to SAK including under the SAK Guarantee and as continuing security for the payment and discharge of such monies, obligations and liabilities, the Company with full title guarantee will create in favour of SAK a legal mortgage over the Properties.
- 6 Under the terms of the SAK Debenture the Company will, inter alia, covenant to pay and discharge on demand all monies, obligations and liabilities of any kind (whether present or future, actual or contingent) from time to time due, owing or incurred by the Company to SAK including under the SAK Guarantee and as continuing security for the payment and discharge of such monies, obligations and liabilities, the Company with full title guarantee will create in favour of SAK a legal mortgage over all freehold and leasehold property of the Company and a fixed and floating charge over all of the present and future property, assets and undertaking of the Company.
- 7 Under the terms of the Davenham Facility, Davenham will make available to the Company a loan facility of £1,100,000 (which is being made available by Davenham inter alia for the purpose of financing the working capital requirements of the Company and assisting in the funding of the acquisition by Croftacre of the entire issued share capital of the Company) on commercial terms as to interest, fees, charges and expenses, repayment and security.
- 8 Under the terms of the Davenham Charge, the Company will, with full title guarantee, charge by way of legal mortgage the Properties as security for a covenant on demand to pay or discharge all money and liabilities from time to time owing or incurred by the Company (whether as principal or agent, actual or contingent, solely or jointly with any other person) to Davenham.
- 9 Under the terms of the Davenham Debenture, the Company will covenant to Davenham and each member of its group, to repay on demand all monies and liabilities from time to time owing or incurred by the Company (whether as principal or agent, actual or contingent, solely or jointly with any other person) to Davenham and each member of its group, including costs, charges and expenses of Davenham and each member of its group, and as security for such covenant charges with full title guarantee and by way of fixed and floating charges, all of the property assets and undertaking of the Company (both present and future).
- 10 Under the terms of the Loan Agreement the Company will make a loan available to Croftacre of up to a maximum amount of £2,000,000 (the "Loan") for the purpose of, inter alia, funding the consideration payable by Croftacre for the acquisition of the entire issued share capital of the Company and the costs and expenses associated therewith. The Loan will be unsecured, interest free and repayable on demand by the Company.
- 11 By making the Repayment, the Company will repay all monies owed to Barclays Bank Plc, in advance of the due date for repayment of such facilities. The facilities being repaid may be on more favourable commercial terms than those available to the

Company pursuant to the Davenham Facility and the Invoice Discounting Agreement, and the Company may incur early repayment costs and charges.

APPENDIX 4

HHT LIMITED (the "Company")
Company Number 01439213

Directors Statutory Declaration Form 155(6)(a)

Dated 10/4 2002

mas.
Jelle

The date on which the assistance is to be given is on a date within 8 weeks of the date of this Declaration.

Friend Boyden

Please quote our reference
on all correspondence

Our Ref: 2H.814/PCC/SRB

Your Ref:

Pembroke House
11 Northlands Pavement
Pitsea Basildon Essex SS13 3DX

Telephone: 01268 550000
Facsimile: 01268 550381
e-mail: friendboyd@aol.com

REPORT OF THE AUDITORS TO THE DIRECTORS OF HHT LIMITED ("the Company") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

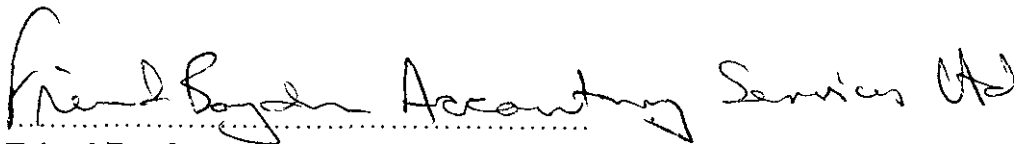
We have examined the attached statutory declaration of the directors dated the date of this report in connection with the proposal that the Company should give financial assistance for the purchase of the entire issued share capital of the Company.

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 declarations as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.



Friend Boyden Accounting Services Ltd
Chartered Certified Accountants

Date...10 APRIL 2002.....

CHARTERED CERTIFIED ACCOUNTANTS & REGISTERED AUDITORS

Directors: Keith Tremain, F.C.C.A. Philip Cooksley F.C.C.A.

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