

CHFP025

Please do not
write in this
margin

COMPANIES FORM No. 155(6)a

Declaration in relation to assistance for the acquisition of shares

155(6)a

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

T T T

00618045

Note

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

Name of company

* St Nicholas Court Farms Limited

* insert full name
of company

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

XWe o James RICHARD STEED TAPP of Aubrey Court, St Nicholas at Wade, Birchington
Kent
JONATHAN TAPP of Hengrove, Shottendane Lane, Margate, CT9 4NH
MARTIN TAPP of Stuart Farm, Stuart Lane, St Nicholas at
Wade.

† delete as appropriate

§ delete whichever
is inappropriate

~~XXXXXXXXXXXX~~ [all the directors] † of the above company do solemnly and sincerely declare that

The business of the company is

[illegible]

(c) something other than the above \$

The company is proposing to give financial assistance in connection with the acquisition of shares in the

[company] ~~XXXXXXXXXXXXXXXXXXXX~~

The assistance is for the purpose of [that acquisition] XXXXXXXXXX

XXXXXXXXXXXXXXXXXXXXX +

The number and class of the shares acquired or to be acquired is up to a maximum of

8800 (eight thousand eight hundred) ordinary shares of £1.00 each

**Presenter's name address and
reference (if any)**
ASB LAW
Horizon House, Eclipse
Park, Sittingbourne Road,
Maidstone, ME14 3EN

DX 153420

MAIDSTONE 18

For official Use
General Section

Post room

FRIDAY



A9UJKYES

28/03/2008

COMPANIES HOUSE

342

The assistance is to be given to (note 2) St Nicholas Court Farms Trading Limited
(company no 00618045) (the "Purchaser")

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

Please see attached Rider 1 to this Form 155(6)a

The person who ~~XXXXXXX~~ [will acquire] † the shares is

† delete as
appropriate

St Nicholas Court Farms Trading Limited (company no. 00618045)

The principal terms on which the assistance will be given are

Please see attached Rider 2 of this Form 155(6)a

The amount of cash to be transferred to the person assisted is £ See Rider 3 of this Form 155(6)a

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

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

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

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

(a) ~~We~~ 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)

[illegible]

Declared at Holston House 20th May 1966
Rev. Martin Kent

~~Declarants to sign below~~

Day Month Year

on 20 03 2008

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

J. E. RICE
Solicitor
16 Mill Street

~~Maldstone ME15 6XT~~

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

Company number 0618045

Form 155(6) a – Declaration in relation to assistance for the acquisition of shares

Rider 1

The assistance will take the form of

- i) an overdraft facility agreement for the maximum sum of £350,000 to be entered into between the Company and the Bank (**Overdraft Agreement**),
- ii) an intra group loan agreement between the Company and the Purchaser under which the Company agrees to lend to the Purchaser such sums on such dates as necessary to enable the Purchaser to meet its ongoing obligations under the acquisition loan agreement (**Facility Agreement**) (the **Support Agreement**),
- iii) a cross guarantee agreement given by the Company in favour of the Bank in respect of the obligations of the Purchaser and a cross guarantee agreement given by the Purchaser in favour of the Bank in respect of the obligations of the Company, pursuant to which each of the Company and the Purchaser undertakes to discharge its own liabilities and obligations from time to time to the Bank and guarantees to the Bank all the liabilities and obligations from time to time of the other company (as the case may be) including under or as contemplated by, the Facility Agreement and Overdraft Agreement, as appropriate (**Cross Guarantees**),
- iv) unlimited mortgage debentures given by each of the Company and the Purchaser in favour of the Bank pursuant to which each of the Company and the Purchaser will grant fixed and floating charges in favour of the Bank over the whole of its respective property, assets and undertaking to secure all the liabilities and obligations from time to time of the Company or the Purchaser, as appropriate, to the Bank including under the Cross Guarantees,
- v) first legal charge over the freehold property at Hoo Farm, Monkton Road, Minster, Kent, granted by the Company in favour of the Bank pursuant to which the Company will grant fixed charges over the properties referred to in that document to secure all the liabilities and obligations from time to time of the Company to the Bank including under the Cross Guarantees,
- vi) a first legal charge over the freehold property at Land & Buildings at East Side of Court Road, St Nicholas at Wade, Kent granted by the Company in favour of the Bank pursuant to which the Company will grant fixed charges over the properties referred to in that document to secure all liabilities and obligations from time to time of the Company to the Bank including under the Cross Guarantees,
- vii) a first legal charge over the freehold property at St Nicholas Court Farm, Thanet Way, St Nicholas at Wade, Birchington, Kent CT7 OPA granted by the Company in favour of the Bank pursuant to which the Company will grant fixed charges over the properties referred to in that document to secure all the liabilities and obligations from time to time of the Company to the Bank including under the Cross Guarantees,
- viii) a subordination agreement between the Company, the Purchaser, the provider of a £500,000 director's loan and the Bank to which the parties aforementioned in this clause regulate and subordinate to the Bank, their respective rights in relation to the funding and security documents to which they are to be a party, in particular, but not limited to the loan referred to at ii) above and the cash injection into the Purchaser limited to a maximum of £500,000 provided by way of director's loan cash injection,

(the **Finance Documents**)

- ix) a letter of undertaking (**Undertaking**) given by James Richard Steed Tapp to William Robert Nicholas Tapp (NT),
- x) a compromise agreement in respect of the employment of NT with the Company (**NT Compromise Agreement**),
- xi) a compromise agreement in respect of the employment of Amanda Tapp with the Company,
- xii) a deed of surrender (Deed of Surrender) given by NT and Amanda Tapp in respect of their tenancy of the property at St Nicholas Court, St Nicholas at Wade, Birchington, Kent CT7 0PT (**Property**),
- xiii) stock transfer forms in respect of 89,006 shares in Magyar Farming Limited to be transferred to NT as to 43,957 shares in satisfaction of the Company's liability to him in respect of certain repairs and improvements carried out to the Property and 45,049 at £1 50,
- xiv) an assured shorthold tenancy agreement of the Property granted by the Company to NT,
- xv) the Company's agreement to transfer its motor vehicle registration number GK57 ZKC to NT upon amongst other things the signing by NT of the Deed of Surrender and NT Compromise Agreement,
- xvi) the Company's agreement to pay the sum of £50,000 to NT upon amongst other things the signing by NT of the Deed of Surrender and NT Compromise Agreement

(the **Undertaking Documents**)

Rider 2

The principal terms on which the assistance under the Finance Documents and the Undertaking Documents will be given are

- i) the Overdraft Facility given to the Company by the Bank in order that the Company is able to support the Purchaser in its purchase of the entire issued share capital of the Company,
- ii) the Support Agreement provides that the Company agrees to lend to the Purchaser such sums on such dates as necessary to enable the Purchaser to meet its ongoing obligations under the Facility Agreement,
- iii) the Cross Guarantees are given by the Company and the Purchaser respectively in respect of the obligations of the other of the Company or Purchaser in favour of the Bank, pursuant to which each of the Company and the Purchaser undertakes to discharge its own liabilities and obligations from time to time to the Bank and guarantees to the Bank all the liabilities and obligations from time to time of the other company (as the case may be) including under or as contemplated by, the Facility Agreement and Overdraft Agreement, as appropriate,
- iv) unlimited mortgage debentures given by each of the Company and the Purchaser in favour of the Bank pursuant to which each of the Company and the Purchaser will grant fixed and floating charges in favour of the Bank over the whole of its respective property, assets and undertaking to secure all the liabilities and obligations from time to time of the Company or the Purchaser, as appropriate, to the Bank including under the Cross Guarantees,

- xvii) first legal charge over the freehold property at Hoo Farm, Monkton Road, Minster, Kent, granted by the Company in favour of the Bank pursuant to which the Company will grant fixed charges over the properties referred to in that document to secure all the liabilities and obligations from time to time of the Company to the Bank including under the Cross Guarantees,
- xviii) a first legal charge over the freehold property at Land & Buildings at East Side of Court Road, St Nicholas at Wade, Kent granted by the Company in favour of the Bank pursuant to which the Company will grant fixed charges over the properties referred to in that document to secure all liabilities and obligations from time to time of the Company to the Bank including under the Cross Guarantees,
- xix) a first legal charge over the freehold property at St Nicholas Court Farm, Thanet Way, St Nicholas at Wade, Birchington, Kent CT7 OPA granted by the Company in favour of the Bank pursuant to which the Company will grant fixed charges over the properties referred to in that document to secure all the liabilities and obligations from time to time of the Company to the Bank including under the Cross Guarantees,
- v) a subordination agreement between the Company, the Purchaser, the provider of a £500,000 director's loan and the Bank pursuant to which the Company will agree to certain restrictions on its dealings with the other parties to the subordination agreement in order to satisfy a condition of the Bank making the Facility Agreement and the Overdraft Facility available to the Purchaser,
- vi) in connection with the terms of the Undertaking NT (a major shareholder in the Company) and the Company have agreed to enter into various arrangements as set out in the Undertaking Documents. Such arrangements are pre-conditions to the Purchaser completing the acquisition of the Company and the Company has agreed to enter into the Undertaking Documents to assist the Purchaser in completing the acquisition. The Undertaking Documents are set out in viii) – xv) below
- vii) the NT Compromise Agreement under which NT compromises any claims he has against the Company in respect of his employment with the Company up to and including the date of completion of the Purchaser's offer. The payment in x) below will be made by the Company, in part, in respect of the NT Compromise Agreement,
- viii) a compromise agreement in respect of the employment of Amanda Tapp with the Company under which Amanda Tapp compromises any claims she has against the Company in respect of her employment with the Company up to and including the date of completion of the Purchaser's offer. The payment in x) below will be made by the Company, in part, in respect of the Amanda Tapp compromise agreement,
- ix) the Deed of Surrender whereby NT and Amanda Tapp surrender their existing tenancy of the Property. The payment in x) below will be made by the Company, in part, in respect of the Deed of Surrender,
- x) stock transfer forms in respect of 89,006 shares in Magyar Farming Limited to be transferred to NT as to 43,957 shares in satisfaction of the Company's liability to him in respect of certain repairs and improvements carried out to the Property and 45,049 at £1 50,
- xi) an assured shorthold tenancy agreement of the Property granted by the Company to NT. This is offered by the Company as part of the overall package to secure the transfer of NT's shares to the Purchaser
- xii) the Company's agreement to transfer its motor vehicle registration number GK57 ZKC to NT upon amongst other things the signing by NT of the Deed of Surrender and NT Compromise Agreement. This is offered by the Company as part of the overall package to secure the transfer of NT's shares to the Purchaser,

Document 9A Rider to the Statutory Declaration

- xiii) the Company's agreement to pay the sum of £50,000 to NT upon amongst other things the signing by NT of the Deed of Surrender and NT Compromise Agreement
-

Rider 3

The amount of cash to be transferred to the person assisted is the amount of the Overdraft Agreement plus any debit interest accrued on the same and the amount of any loans, up to a maximum aggregate sum of £9,000,000 , made from time to time by the Company to the Purchaser under the terms of the Support Agreement

Tenon audit

Email david.hoose@tenongroup.com
Our ref 3022096/DRH/RMP/KLF
Date 20 March 2008

The Directors
St Nicholas Court Farms Limited
St Nicholas Court
St Nicholas at Wade
Birchington
Kent
CT7 0PT

Dear Sirs

**Auditors' report to the directors of the St Nicholas Court Farms Limited
("Company") pursuant to section 156(4) of Companies Act**

We have examined the attached statutory declaration of the directors of the Company dated 20 March 2008 in connection with the proposal that the Company should give financial assistance for the purpose of the acquisition shares in the Company

We have enquired into the state of affairs of the Company in order to review the bases for the attached statutory declaration

We are not aware of anything to indicate that the opinion expressed by the directors in the attached statutory declaration as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances

Yours faithfully

Tenon Audit Limited

Tenon Audit Limited

Charnwood House, Gregory Boulevard, Nottingham, Nottinghamshire, NG7 6NX
Tel +44 (0) 115 955 2000 Fax +44 (0) 115 918 4500 DX 714246 Nottingham 21
Email nottingham@tenongroup.com
www.tenongroup.com

Tenon Audit Limited Registered Office Clifton House Bunnian Place Basingstoke Hampshire RG21 7JE No 4045321 England

Registered by the Institute of Chartered Accountants in England and Wales to carry out company audit work
Tenon Group PLC is a separate company that provides professional resources and certain services to Tenon Audit Limited under the terms of a formal agreement on an arms-length basis

A list of directors is maintained for inspection at the Registered Office

 Independent member of Morrison International