

155 (6)b

G

**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

For official use

Company number

00874649

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

* insert full name
of company

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

Name of company

* JONES STROUD & CO LIMITED

I/We d ANDREW IVES of Home Close, Tredington, Shipston-on-Stour, Warwickshire,

CV36 4NJ

SYLVIE MOREAU of 6 Swithland Court, Brandhill, Woodhouse Eaves, Leicester, LE12 8SS

† delete as
appropriate

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

8 delete whichever
is inappropriate

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 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 * E WYKES (LEICESTER) LIMITED

which is

proposing to give financial assistance in connection with the acquisition of shares in [this company] ~~xxxxx~~
JONES STROUD (HOLDINGS) LIMITED

the holding company of this company.] †

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

Wragge & Co
55 Colmore Row
Birmingham B3 2AS
Ref: 1750580/CGB/SHX
Doc Ref: 1521780

For official Use
General Section

Post room



BIR
COMPANIES HOUSE

0306
21/12/99

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 17,388,026 Ordinary Shares
is: of 25 pence each

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

The assistance is to be given to: (note 2) Composite Materials Technology plc (Company
Number 03766344) of Torrington Avenue, Coventry, CV4 9UU

The assistance will take the form of:

See Continuation Sheet A

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

Composite Materials Technology plc

† delete as
appropriate

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

See Continuation Sheet B

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 £ Nil

The value of any asset to be transferred to the person assisted is £ Nil

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 no later than 31st December 19 99

I/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) I/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 the 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) xxx~~

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 Torrington Avenue, Coventry

Declarants to sign below

the 9th day of December
one thousand nine hundred and ninety nine

before me DAVID SANNOENS

D. Saunders.

~~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
DX: 33050
Cardiff

or, for companies registered in Scotland:-

The Registrar of Companies
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB
DX: 235
Edinburgh

JONES STROUD & CO LIMITED

(in relation to E Wykes (Leicester) Limited (the "Subsidiary"))

FORM G155(6)(b)

Company Number 00874649

Continuation Sheet A

The assistance will take the form of entering into and complying with the terms and conditions of:

- 1 A composite guarantee and debenture ("**the Guarantee and Debenture**") to be entered into by the Subsidiary, Composite Materials Technology plc ("**CMT**") and certain of the Company's subsidiaries (together, the "**Original Obligor**") in favour of Bank of America ("**BOA**") guaranteeing payment to BOA (the "**Guarantee**") of the liabilities of each Original Obligor and each person that may become a party to the Guarantee and Debenture in accordance with its terms (together, the "**Obligors**") to BOA including, inter alia, liabilities under the Credit Agreement dated 29th September 1999 made between CMT, BOA and certain other financial institutions (together "**the Banks**") as amended by the supplemental agreement to be entered into by CMT, BOA and the Banks ("**the BOA Credit Agreement**") such sums having been borrowed by CMT in connection with its acquisition of the entire issued share capital of Holdings ("**the Acquisition**") and creating fixed and floating charges over the Subsidiary's property, assets and undertaking as security for all liabilities owed by the Subsidiary to the Banks including inter alia, its liabilities under the Guarantee.
- 2 The set off arrangements more particularly set out in the Guarantee ("**the Set-Off Arrangements**").
- 3 An inter group loan agreement ("**the Loan Agreement**") to be entered into between, inter alia, the Subsidiary and CMT whereby the Subsidiary would agree to lend from time to time subject to the terms of the Loan Agreement, such monies to the other parties thereto as any such party may request.

JONES STROUD & CO LIMITED
(in relation to E Wykes (Leicester) Limited)

FORM G155(6)(b)

Company Number 00874649

Continuation Sheet B

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

- 1 the terms of the Guarantee and Debenture provide
 - (a) for the Subsidiary to guarantee payment to BOA on demand of all liabilities of the Obligors pursuant to the BOA Credit Agreement and the Finance Documents (as defined in the BOA Credit Agreement) and all other liabilities of the Obligors whatever and wherever to the Banks including any liability of CMT to BOA in respect of monies borrowed in connection with the Acquisition; and
 - (b) for the Subsidiary to charge to BOA (acting as trustee for certain beneficiaries) all of its property, assets and undertaking by way of fixed and floating charges as a continuing security for the payment and discharge of all the Subsidiary's present and future, actual and contingent indebtedness to the Banks whether solely or jointly with any other person or persons and all the Subsidiary's other liabilities to the Banks including, inter alia, its liabilities pursuant to the Guarantee.
- 2 The terms of the Loan Agreement provide for the Subsidiary to agree to loan from time to time such monies to the other parties thereto as any such party may request and require to enable such party to meet its respective obligations under the BOA Credit Agreement and all documents entered into by CMT and all the Obligors pursuant thereto on the basis that such loan will be unsecured, repayable on demand and shall be interest free or bear interest at such rate as may be agreed by the parties thereto.
- 3 Under the terms of the Guarantee and Debenture, the Subsidiary agrees to the Set Off Arrangements whereby the Banks may apply any sum standing to the credit of any accounts with it in or towards satisfaction of any sums due and payable from the Subsidiary to the Banks including any liability of CMT to BOA in respect of monies borrowed in connection with the Acquisition and guaranteed by the Company pursuant to the Guarantee and Debenture.

**AUDITORS' REPORT TO THE DIRECTORS OF JONES STROUD &
COMPANY LIMITED ("THE COMPANY") PURSUANT TO SECTION 156(4)
OF THE COMPANIES ACT 1985**

*is subsidiary, E Wykes (Leicester) Limited
DCS.*


We have examined the attached statutory declaration of the directors dated 9 December 1999 in connection with the proposal that the Company should give financial assistance for the purchase of 17,388,026 of the ordinary shares of Jones Stroud (Holdings) Limited (its parent 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 declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.



GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

Leicester

9 December 1999