

Please do not
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Please complete
legibly, preferably
in black type, or
bold block lettering

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

* insert full name
of company

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

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

For official use

Company number

Name of company

* HAMMOND GROUP HOLDINGS LIMITED

X We ø JOHN EDWARD CUTLER
THE WHITE HOUSE
8 MOOR HALL DRIVE
SUTTON COLDFIELD
WEST MIDLANDS
B75 6LP

PHILIP MICHAEL FORSTER SMITH
19 BOWERS WAY
HARPENDEN
HERTFORDSHIRE
AL5 4EP

† delete as appropriate

§ delete whichever
is inappropriate

~~XXXXXXXXXXXX~~ [the sole director] 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] [XXXXXXXXXXXXXXXXXXXXX XX]

XXXKX0689X

The assistance is for the purpose of ~~that acquisition~~ [reducing or discharging a liability incurred for the purpose of that acquisition].t

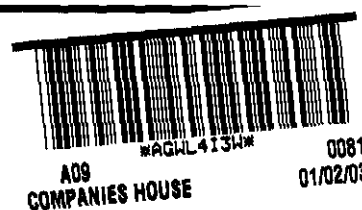
The number and class of the shares acquired or to be acquired is: 125,000 "A" ORDINARY SHARES
OF £1 EACH, 2,075,000 PREFERENCE SHARES OF £1 EACH AND 75,000 ORDINARY SHARES OF £1 EACH

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

Wragge & Co
55 Colmore Row
Birmingham
B3 2AS

13036 Birmingham 1
#3730310

For official Use
General Section



The assistance is to be given to: (note 2) AARCO 222 LIMITED, 6 KING EDWARDS COURT,
KING EDWARD SQUARE, WEST MIDLANDS, B73 6AP

Please do not
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Please complete
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lettering

The assistance will take the form of:

A Guarantee and Debenture in favour of Barclays Bank PLC under which the Company agrees to pay or discharge all moneys and liabilities for the time being owed by Aarco 222 Limited and certain of its subsidiaries.

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

[†] delete as
appropriate

AARCO 222 LIMITED

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

Under the Guarantee and Debenture the Company charges as security for its obligations:

(a) by way of legal mortgage all the freehold and leasehold property of the Company the title to which is registered at HM Land Registry and which is described opposite its name in the Third Schedule to the Guarantee and Debenture together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;

Please see continuation sheet marked "Rider" attached.

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 17th January 2003

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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)

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

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

- (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 Birmingham

Declarants to sign below

on

Day	Month	Year
17	01	2003

before me J. Lo adich

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

RIDER

- (b) by way of legal mortgage all other freehold and leasehold property of the Company now vested in it (whether or not registered at HM Land Registry) together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- (c) by way of first fixed charge all future freehold and leasehold property of the Company together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and all the goodwill and uncalled capital for the time being of the Company;
- (d) by way of first fixed charge all book debts and other debts now and from time to time due or owing to the Company;
- (e) by way of first floating charge all other the undertaking and assets of the Company whatsoever and wheresoever both present and future but so that the Company is not to be at liberty to create any mortgage or charge upon and so that no lien shall in any case or in any manner arise on or affect any part of the said premises either in priority to or pari passu with the charge created and further that the Company shall have no power without the consent of the Bank to part with or dispose of any part of such premises except by way of sale in the ordinary course of its business.



2 Cornwall Street
Birmingham
B3 2DL
United Kingdom

Tel +44 (0) 121 232 3042
Fax +44 (0) 121 232 3500
DX 709850 Birmingham 26

The Directors
Hammond Group Holdings Limited
6 King Edwards Court
King Edwards Square
Sutton Coldfield
West Midlands
B73 6AP

Our Ref: dm/4/cc/lf/073-jan

Contract: Colin Critchley
0121 232 3042

17 January 2003

Dear Sirs

Auditors' report to the directors of Hammond Group Holdings Limited ("the company") pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 17 January 2003 in connection with the proposal that the company should give financial assistance for the purchase of the whole of the company's shares. We have enquired into the state of the company's affairs in order to review the bases for the statutory declaration.

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.

Yours faithfully

KPMG LLP

Registered Auditor



KPMG LLP.
KPMG LLP, a UK limited liability partnership,
is a member of KPMG International,
a Swiss association

KPMG LLP is registered to
carry on audit work by the
Institute of Chartered
Accountants in England and

Wales and authorised by
the Financial Services
Authority for investment
business activities

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Registered office:
8 Salisbury Square,
London EC4Y 8BB