

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 lettering

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

For official use

Company number

04021637

Note

Please read the
notes on page 3
before completing
this form

*Insert full name
of company

Name of company

* LASER LINES (INDUSTRIAL & MEDICAL) LIMITED

~~1/We~~ See Schedule 1

~~2/~~ Insert name(s) and
address(es) of all
the directors

~~3/~~ 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:

~~4/~~ 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~~5~~

The company is proposing to give financial assistance in connection with the acquisition of shares
in the [company] ~~[company'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: 10 A ordinary shares of
£1.00 each and 75,000 B ordinary shares of £1.00 each

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

For official Use (10/03)
General Section

Post room



A32
COMPANIES HOUSE

AR0J868M

0647
10/06/05

The assistance is to be given to: (note 2)

Laser Lines (UK) Limited
Edwin Walter Paine and Marie Louise Taylor

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 Schedule 2

The person who ~~has acquired~~ [will acquire]† the shares is:
Laser Lines (UK) Limited

† Delete as
appropriate

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

See Schedule 3

The amount of cash to be transferred to the person assisted is £ 790,000

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's date.

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

~~1/~~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) ~~1/~~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) ~~1/~~ It is intended to commence the winding up of the company within 12 months of that date and ~~1/~~ 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 ~~1/~~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

Declarants to sign below

Spratt Endicott
52/54 The Green
Banbury
OX16 9AB
DX: 24204 Banburyoh
Tel: 01295 204000
Fax: 01295 204070

Day Month Year

02 06 2005

before me

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

Harinder Bead
SOLICITOR.

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 auditor's 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

DX 33050 Cardiff

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

DX 235 Edinburgh

or LP-4 Edinburgh 2

SCHEDULES

Financial Assistance Declaration Section 155(6)a

Handwritten: *Harriet*
BRADSHAW Endicott
2015/34 The Green
Banbury
OX16 9AB
OX: 24204 Banbury 1
Tel: 01295 204000
Fax: 01295 204070
Handwritten: *SJK*
GPB
[Signature]

LASER LINES (INDUSTRIAL & MEDICAL) LIMITED (the "Company")

This is the document "**Schedule 1**", "**Schedule 2**" and "**Schedule 3**" as referred to in the attached statutory declaration.

SCHEDULE 1

Directors

Name	Address
Ralph Anthony Wilkin	3 Wesley Place, Chacombe, Oxfordshire, OX17 2JP
Stephen Philip Knight	165 Delapre Drive, Banbury, Oxfordshire, OX16 3WS
Gary David Broadhead	23 Staverton Road, Daventry, Northamptonshire, NN11 4HL
Michael John Turner	59 Chichester Lane, Warwick, Warwickshire, CV35 8SX

SCHEDULE 2

Form of financial assistance

The entry into by the Company of:

1. an Invoice Discounting Agreement ("the Bank Agreement") with The Royal Bank of Scotland Commercial Services Limited ("the Bank"), pursuant to which the Bank would make available to the Company a confidential invoice discounting facility of up to £650,000. The Bank Agreement will be secured by the Company's execution of the Bank Debenture and Deed of Priorities each as defined below;
2. a debenture ("the Bank Debenture") in favour of the Bank in the Bank's standard form, securing all liabilities of the Company to the Bank;
3. a debenture ("the Vendors' Debenture") in favour of Edwin Walter Paine and Marie Louise Taylor ("the Vendors"), securing all liabilities of the Company to the Vendors;
4. a deed of priorities ("the Deed of Priorities") to be executed by the Company, the Bank and the Vendors regulating the priorities with regard to the respective securities;
5. an inter-company loan agreement ("the Inter-Company Loan Agreement") between the Company and Laser Lines (UK) Limited ("the Purchaser"), pursuant to which the Company will agree to make loans to the Purchaser to enable it to meet its liabilities to the Vendors.

6. a consultancy agreement ("Consultancy Agreement") between the Company and Edwin Walter Paine, pursuant to which Mr Paine will provide consultancy services to the Company.

SCHEDULE 3

The principal terms on which the financial assistance will be given

1. Pursuant to the Bank Agreement, the Bank will make available a confidential invoice discounting facility of up to £650,000 and the Company will give various representations, undertakings and covenants to the Bank;
2. Pursuant to the Bank Debenture, the Company with full title guarantee and as security for the payment and discharge of all monies and liabilities which now are or shall at any time hereafter be due owing or incurred to the Bank by the Company (whether actually or contingently) grants fixed and floating charges over all its property, assets and undertaking both present and future including (without limitation) legal mortgage over all freehold and leasehold property now vested in the Company together with buildings, fixtures and fittings and plant and machinery now or at any time hereafter thereon, first fixed charge on all the present and future right title and interest of the Company in any freehold or leasehold land or other immovable property wherever situated, all book debts and other debts and monetary claims, any credit balance on any account of the Company with the Bank, all goodwill and uncalled capital for the time being of the Company, all stocks and shares, debentures, bonds, loan capital and other securities of any description, all letters, patent trade marks, service marks, designs, utility models, copyrights, design rights, all policies of life insurance or assurance and all rights and claims to which the Company is now or may at any time hereafter become entitled in relation to the proceeds thereof or any other policies of insurance of any description and a floating charge over all the undertaking of the Company on all its property whatsoever and wheresoever both present and future (other than any part thereof which is for the time being effectively charged by way of legal mortgage or fixed charge under the debenture).
3. Pursuant to the Vendors' Debenture, subject to the prior charge of the Bank, the Company with full title guarantee and as security for the payment and discharge of all monies and liabilities which now are or shall at any time hereafter be due owing or incurred to the Bank by the Company (whether actually or contingently) grants fixed and floating charges over all its property, assets and undertaking both present and future including (without limitation) legal mortgage over all freehold and leasehold property now vested in the Company together with buildings, fixtures and fittings and plant and machinery now or at any time hereafter thereon, first fixed charge on all the present and future right title and interest of the Company in any freehold or leasehold land or other immovable property wherever situated, all book debts and other debts and monetary claims, any credit balance on any account of the Company with the Bank, all goodwill and uncalled capital for the time being of the Company, all stocks and shares, debentures, bonds, loan capital and other securities of any description, all letters, patent trade marks, service marks, designs, utility models, copyrights, design rights, all policies of life insurance or assurance and all rights and claims to which the Company is now or may at any time hereafter become entitled in relation to the proceeds thereof or any other policies of insurance of any description and a floating charge over all the undertaking of the Company on all its property whatsoever and wheresoever both present and future

(other than any part thereof which is for the time being effectively charged by way of legal mortgage or fixed charge under the debenture).

4. Pursuant to the Deed of Priorities, the Company will acknowledge the arrangements made between the Bank and the Vendors which regulate (amongst other things) the priority of the securities granted to the Vendors and the Bank by the Company and the ability of the Company to make certain payments to those parties.
5. Pursuant to the Inter-Company Agreement, the Company will agree to make loans to the Purchaser in a maximum aggregate principal amount detailed therein. Sums drawn down by the Purchaser may be used (inter-alia) to meet its liabilities to the Vendors.
6. Pursuant to the Consultancy Agreement Mr Paine will provide consultancy services to the Company over a period of three years for an aggregate consideration of £36,000.

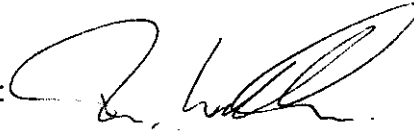
BOARD MEMORANDUM
OF
LASER LINES (INDUSTRIAL & MEDICAL) LIMITED

SF
GDS
ML ✓
new

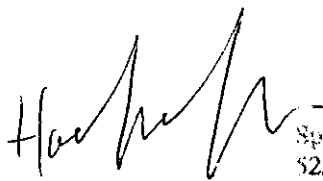
Memorandum in connection with the proposed arrangements whereby Laser Lines (Industrial & Medical) Limited ("the Company") will give financial assistance for the acquisition of its own shares, particulars of which are given in the statutory declaration made by the directors this day pursuant to section 155(6) of the Companies Act 1985 ("the Act")

1. At the close of business on 30 April 2005 the aggregate of the Company's assets as stated in its accounting records exceeded the aggregate of its liabilities as so stated.
2. From our knowledge of events since the above date and of the likely course of the Company's business, the directors have formed the opinion that the aggregate of the Company's assets will exceed the aggregate of its liabilities immediately before the proposed financial assistance is given and that the giving of such financial assistance will not reduce the net assets of the Company.

SIGNED ON BEHALF OF THE BOARD:



DATED: 2-6-05



HARINDER SRAO
SOLICITOR.

Spratt Endicott
52/54 The Green
Banbury
OX16 9AB
OX: 24204 Banbury 1
Tel: 01295 204000
Fax: 01295 204070

The Directors,
Laser Lines (Industrial & Medical) Limited,
Beaumont Close,
Banbury,
Oxon,
OX16 1TH

Auditors report to the directors of Laser Lines (Industrial & Medical) Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 2nd June 2005 in connection with the proposal that the Company should give financial assistance for the purchase of the entire issued share capital of the company.

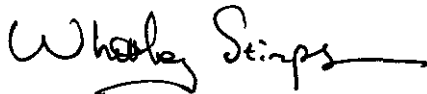
Basis of opinion

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

Registered Auditors



Whitley Stimpson,
Penrose House,
67 Hightown Road,
Banbury,
Oxon,
OX16 9BE

2nd June 2005