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COMPANIES FORM No. 155(6)b

**Declaration by the directors
of a holding company in
relation to assistance for the
acquisition of shares.****155(6)b**Please do not
write in this
marginPlease complete
legibly, preferably
in black type, or
bold block letteringNote
Please read the notes
on page 3 before
completing this formInsert full name
of companyInsert name(s) and
address(es) of all
the directorsDelete as
appropriateDelete whichever
is inappropriate

Pursuant to section 155(6) of the Companies Act 1985

To the Registrar of Companies

For official use

Company number

[] [] [] []

451593

Name of company

* TELEGRAPH GROUP LIMITED (the "Company")

I/We† F.D. Radler of 1 Canada Square, Canary Wharf, London E14 5DT

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

The business of the 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 6 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom;~~
(c) something other than the above†

This company is ~~that~~ (a) holding company of* CREDITSCHEME LIMITED (registered no 02815010)
registered address at 1 Canada Square, Canary Wharf, London E14 5DT which is
proposing to give financial assistance in connection with the acquisition of shares
in [this company] []

the holding company of this company.†

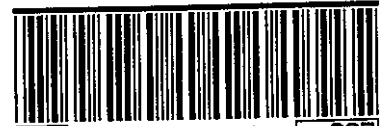
Presentor's name, address and
reference (if any):Clifford Chance
200 Aldersgate Street
London
EC1A 4JJ

H:\USERD1\LF0RMS\AHC20.LFD

For official use

General Section

Post room

A18 *AGHQQRJX* 227
COMPANIES HOUSE 16/12/96

The assistance is for the purpose of ~~(the acquisition)~~ (reducing or discharging a liability incurred for the purpose of that acquisition)† (note 1)

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legibly, preferably
in black type, or
bold block
lettering

The number and class of the shares acquired ~~or to be acquired~~ is: 1,654,375 "A" Ordinary Share
and 49,049,284 "B" Ordinary Shares in the Company

The assistance is to be given to: (note 2) _____
First DT Holdings Limited (registered no. 2629934) whose registered office
is at Cotton's Centre, Cotton's Lane, London SE1 2QL ("FDTH")

The assistance will take the form of:

SEE ATTACHED SCHEDULE 1

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

†Delete as
appropriate

FDTH

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

SEE ATTACHED SCHEDULE 1

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 on or about 2 December 19 96

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)

(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 Toronto, Ontario
Canada

the 26th day of November
One thousand nine hundred and Ninety Six

before me [Signature]

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

Declarants to sign below

[Signature]

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.

SCHEDULE 1

Creditscheme Limited, the Company's subsidiary, reaffirming the validity of the Subsidiary Guaranty dated 7 August 1996 between Creditscheme Limited, The Toronto-Dominion Bank (the "Administrative Agent") and others and the Deed of Charge and Memorandum of Deposit dated 7 August 1996 between Creditscheme Limited, the Administrative Agent and others (the "Subsidiary Pledge Agreement"), pursuant to the terms of a Reaffirmation Agreement to be dated on or about 2 December 1996 between the Company, the Administrative Agent and others (the "Reaffirmation Agreement").



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The Directors
Telegraph Group Limited
1 Canada Square
Canary Wharf
LONDON
E14 5DT

Our ref jdh/ns/644/115

26 November 1996

Dear Sirs

Auditors' report to the directors of Telegraph Group Limited (the Company) pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 26 November 1996 in connection with the proposal that the Company's subsidiary, Creditscheme Limited should give financial assistance for the purchase of the Company's ordinary 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 Audit plc

KPMG Audit Plc
Registered auditors



Member of
KPMG International

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

Registered in England
Number 3110745
Registered office
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London EC4Y 8BB

