

CHFP025

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

00931954

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

Name of company

* Smart & Cook Limited (the "Company")

* insert full name
of company

X_{Weg} as specified in the attached Appendix 1 and together being

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

† delete as appropriate

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

The business of the company is:

§ delete whichever
is inappropriate

[illegible][illegible]

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX~~

(c) something other than the above§

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

~~XXXXXX~~ [company's holding company Thornton Grove (Holdings)

LimitedIt

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

[illegible]

The number and class of the shares acquired or to be acquired is:

974,352 ordinary shares of £0.10

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

Pinsents
1 Park Row
Leeds
LS1 5AB
RLD/602033.07002
DX 26440 Leeds 28
Doc No. 6450438

For official Use
General Section



A11
COMPANIES HOUSE

0393
18/03/04

The assistance is to be given to: (note 2) Pinco 2037 Limited (registered number 04950508)
whose registered office is at 1 Park Row, Leeds, LS1 5AB (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 Appendix 2

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

[†] delete as
appropriate

the Purchaser

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

Please see attached Appendix 3

The amount of cash to be transferred to the person assisted is £ Please see attached Appendix 4

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 date hereof

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

☒ 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) ☒ 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 the directors 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 ☒ 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

1 Park Row, Leeds

See attached Appendix 5

Day Month Year
on

0	5	0	3	2	0	0	4
---	---	---	---	---	---	---	---

before me MARK ROBERT DAVIES, COBBETTS

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

APPENDIX 1

Directors of the Company:

- | | | |
|-----|--|--|
| 1. | Ian Lawton Shay
Secretary and Director | 9 Warwick Crescent
Harrogate
North Yorkshire HG2 8JA |
| 2. | Geoffrey Graham Cook
Director | Roxby Manor
Pickering Road
Thornton Le Dale
Pickering
North Yorkshire YO17 7LH |
| 3. | Paul Christopher Meehan
Director | 16 The Spinney
Knaresborough
North Yorkshire HG5 0TD |
| 4. | Karin Helen Andrews
Director | Parsonage Byre
Louth Road
Binbrook
Lincolnshire LN8 6BN |
| 5. | Gordon Brain
Director | 5 Pecketts Way
Harrogate
North Yorkshire HG1 3EW |
| 6. | Peter Chapman Castle
Director | Beverley Garth Bay Horse Lane
Scarcroft
Leeds
West Yorkshire LS14 3JQ |
| 7. | Paul Chapman
Director | 9 Saint Andrews Terrace
Roker
Sunderland
Country Durham |
| 8. | Ian Dale
Director | 91 Junction Road
Norton
Stockton on Tees TS20 1PU |
| 9. | Richard James Darbyshire
Director | 63 Cookridge Lane
Cookridge
Leeds
West Yorkshire LS16 7NE |
| 10. | Martin Ignatius Gilroy
Director | 17 Darnley Lane
Colton
Leeds
West Yorkshire LS15 9EX |

-
- | | | |
|-----|---|--|
| 11. | Ian Leslie Grasby
Director | Garton Lodge
Dun Royal
Helperby
York
North Yorkshire YO61 2PY |
| 12. | Keith Andrew Holmes
Director | 57 Kerver Lane
Dunnington
York
North Yorkshire YO19 5SL |
| 13. | Denis Walter James
Director | Laburnum Cottage
15 Hole Lane
Sunnyside
Newcastle upon Tyne NE16 5NG |
| 14. | Andrew Richard Johnson
Director | Flat 17a
Oliver Sheldon House
Aldwark
York
North Yorkshire YO1 7BX |
| 15. | Steven Leslie North
Director | Sunnievale House
Main Street
Thorganby
York
North Yorkshire YO19 6DA |
| 16. | Derek Hugh Parry
Director | 8 Riverside Gardens
Elvington
York
North Yorkshire YO41 4DT |
| 17. | Kenneth Popplewell
Director | 3 Adel Towers Court
Adel
Leeds
West Yorkshire LS16 8ER |
| 18. | Marshall John Sugden
Director | 6 Emmfield Drive
Heaton
Bradford
West Yorkshire
BD9 4AZ |
| 19. | Neil Thornton
Director | 5 Peacock Court
Yeadon
Leeds
West Yorkshire LS19 7WG |
| 20. | Alan Charles Tickner
Director | 16 The Grove
Guisborough
Cleveland TS14 8BG |

APPENDIX 2

The assistance will take the form of:-

The execution and delivery by the Company in favour of The Royal Bank of Scotland plc (the "**Lender**"), 3i Group plc ("**3i**") and Geoffrey Cook of the following documents (as may be amended, supplemented or substituted from time to time):

1. a composite cross guarantee with accession (the "**Guarantee**") to be entered into by the Purchaser, the Company, Smart & Cook Group Limited, Smart & Cook Consulting Limited, Credit Insurance Consultants Limited, Thornton Grove (Holdings) Limited and Smart & Cook (Scotland) Limited (together the "**Group Companies**") comprising a guarantee by the Group Companies of the liabilities of the Purchaser and the various other companies in the same group which have executed the Guarantee (or do so in the future) (the "**Group**") to the Lender of each of them on any account whatsoever to secure the payment and discharge of all monies and obligations due, owing or incurred by each of them to the Lender (as more particularly set out in the Guarantee);
2. a working capital facility letter (the "**Working Capital Facility Letter**") containing the terms on which the Lender would make a working capital facility available to the Purchaser and certain other companies within the Purchaser's Group, including the Company;
3. an unlimited multilateral guarantee in favour of 3i (the "**3i Guarantee**") entered into by each of the Group Companies;
4. a debenture (the "**3i Debenture**") between the Company and 3i securing all monies due to 3i from the company under the 3i Guarantee;
5. an unlimited multilateral guarantee (the "**Geoffrey Cook Guarantee**") entered into by each of the Group Companies in favour of Geoffrey Cook;
6. a debenture (the "**Geoffrey Cook Debenture**") between the Company and Geoffrey Cook securing all monies due to Geoffrey Cook from the Company under the Geoffrey Cook Guarantee;
7. a multilateral intra-group loan agreement (the "**Intra-Group Loan Agreement**") between the Group Companies for the provision of interest free revolving loan facilities to be made available by each of the Group Companies to the Purchaser;
8. an intercreditor agreement (the "**Intercreditor Agreement**") entered into by the Lender, 3i, Geoffrey Cook and the Group Companies.

APPENDIX 3

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

The documents below which are to be executed and delivered by the Company to the Lender are in consideration of the provision by the Lender of loan and working capital facilities and other facilities to be provided from time to time (the "**Facilities**") made available by the Lender to the Purchaser for the purpose of the acquisition of the shares and for working capital requirements and as a condition precedent thereof.

1. Under the terms of the Guarantee:

- 1.1 the Company jointly and severally guarantees to discharge on demand all the liabilities of the Group to the Lender (the "**Debtor's Obligations**" as more fully described in the Guarantee) of any kind (including in respect of the Facilities) and in any currency whether actual or contingent;
- 1.2 the Company agrees that any item or amount claimed by the Lender to be included in such obligations which is not recoverable from any company within the Group shall be recoverable from the Company as principal debtor by way of indemnity;
- 1.3 the Company agrees that (in addition to any lien or rights to which the Lender may be entitled by law) the Lender may from time to time (only after the occurrence of an event of default under the facilities agreement entered between the Purchaser and the Lender, which is continuing unremedied or unwaived) without notice, and both before and after demand, set off the whole or any part of the Company's liabilities to the Lender under the Guarantee against any money or credit balance on any account of the Company with the Lender (whether or not that deposit or balance is due to the Company);
- 1.4 subject to the terms of the Intercreditor Agreement, the Company agrees that despite any term to the contrary in relation to any deposit or credit balance on any account of the Company with the Lender, that deposit or balance will not be capable of being assigned, dealt with, mortgaged or charged and will not be repayable to the Company or the Company's liabilities to the Lender until the Guarantee has been discharged but that the Lender may without prejudice to the Guarantee permit the Company to make withdrawals from time to time;
- 1.5 agrees that the Guarantee shall be a continuing liability in respect of the Company until the expiry of one month from the date of receipt by the Lender of written notice to the Lender to discontinue the Guarantee in respect of the liability of the Purchaser (whereupon the Company shall remain liable for all of the obligations of each Debtor (as that expression is defined in the Guarantee as at the date of expiry of the notice));

all upon the terms more particularly set out in the Guarantee.

2. Under the Working Capital Facility Letter the Lender may require (only after the occurrence of an event of default under the facilities agreement entered between the Purchaser and the Lender, which is continuing unremedied or unwaived) any credit balances on any of the current accounts in the name of the Company and the Purchaser

(or any other member of the Group) to be set off and applied in reduction of any debit balances.


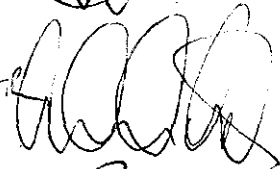

3. Under the terms of the 3i Guarantee, the Company guarantees jointly and severally to 3i all sums of money which now are or shall at any time be owing by the Purchaser to 3i.
4. Under the terms of the 3i Debenture the Company secures all monies due to 3i from the Company under the 3i Guarantee and in particular creates a fixed equitable charge over all its present and future freehold and leasehold property, a fixed charge over among other things, book and other debts, chattels, goodwill and uncalled capital, both present and future and a floating charge over all assets and undertaking both present and future.
5. Under the terms of the Geoffrey Cook Guarantee, the Company guarantees jointly and severally to Geoffrey Cook all sums of money which now are or shall at any time be owing to Geoffrey Cook by the Purchaser.
6. Under the terms of the Geoffrey Cook Debenture the Company secures all monies due to Geoffrey Cook from the Company under the Geoffrey Cook Guarantee and in particular creates a fixed equitable charge over all its present and future freehold and leasehold property, a fixed charge over among other things, book and other debts, chattels, goodwill and uncalled capital, both present and future and a floating charge over all assets and undertaking both present and future.
7. Under the terms of the Intra-Group Loan Agreement an interest free revolving loan facility is to be made available by the Company to the Purchaser in order to assist the Purchaser in discharging obligations incurred to the Lender, 3i and Geoffrey Cook in connection with the acquisition of shares in Thornton Grove (Holdings) Limited.
8. Under the terms of the Intercreditor Agreement inter alia the Company regulates the priority of the security granted in connection with the acquisition of Thornton Grove (Holdings) Limited's shares. The Company would be required to execute the Intercreditor Agreement by the terms of the Facilities Agreement and agree to abide by its terms, as more fully described in the Intercreditor Agreement.

APPENDIX 4

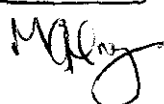
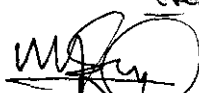
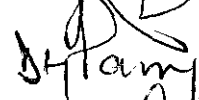




The amount of any loans made from time to time by the Company to the Purchaser under the terms of the Intra Group Loan Agreement.

APPENDIX 5

Declarants signatures:-

GEOFFREY COOK Kenneth Popplewell PAUL MEENAN ALAN TICKNER PAUL CHAPMAN PETER CHAPMAN CASHE 

KEITH HOLMES

IAN DALE KARIN HELEN ANDREWS MARTIN GILROY Steve North MARSHALL SUGDEN BEREK HUGH PARRY ANDREW RICHARD GOWEN IAN LAWTON SHAY DENIS WALTER JAMES IAN LESLIE GRASBY GORDON BLAIN NEIL THORNTON RICHARD JAMES DARBYSHIRE 

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF SMART & COOK GROUP LIMITED PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

5 March 2004

We have examined the attached statutory declaration of the directors of Smart & Cook Group Limited (the "Company") dated.....in connection with the proposal that Smart & Cook Consulting Limited, should give financial assistance for the purchase of 974,352 of Thornton Grove (Holdings) Limited's ordinary shares.

This report is made solely to the directors of the Company for the purpose of section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors of the Company those matters that we are required to state to them in an auditors' report under that section and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the opinions that we have formed.

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 is unreasonable in all the circumstances.

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Date