

CHFP025

## Declaration in relation to assistance for the acquisition of shares

# 155(6)a

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

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

For official use

Company number

**T**    **T**    **T**

1766292

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

Name of company

\* NETWORK MANAGEMENT LIMITED

\* insert full name  
of company

I/We SEE SCHEDULE 1

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

† delete as appropriate

~~The sole director~~ [all the directors]<sup>†</sup> of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever  
is inappropriate

that of a person who is not a partner within the meaning of the Banking Act, 1978.

~~to that of a person authorized 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§

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

~~XXXXXX~~ company's holding company      LAW 2397 LIMITED

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

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~

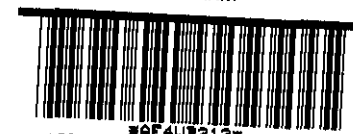
The number and class of the shares acquired or to be acquired is: 1,000,000 ORDINARY SHARES  
OF £0.50 EACH

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

TaylorWessing  
Carmelite, 50 Victoria  
Embankment, Blackfriars,  
London, EC4Y 0DX

For official Use  
General Section

Dent room



**A29** **\*AE4**  
**COMPANIES HOUSE**

0520  
18/01/05

The assistance is to be given to: (note 2) LORNAMEAD ACQUISITIONS LIMITED  
(NO. 05279065) OF CARMELITE, 50 VICTORIA EMBANKMENT, LONDON, EC4Y 0DX

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<sup>†</sup> the shares is:

<sup>†</sup> delete as  
appropriate

LORNAMEAD ACQUISITIONS LIMITED (NO. 05279065)

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 £ SEE SCHEDULE 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 the 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

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

Declarants to sign below

Carmelite, 50 Victoria Embankment  
EC4Y 0LS

on 

Day	Month	Year
10	01	2005

*RP Barber*

before me REBECCA NUGENT

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

**NETWORK MANAGEMENT LIMITED**

**SCHEDULE 1**  
**(to Form 155(6)a)**

**The Directors**

<b>Name</b>	<b>Address</b>
Leslie Christopher Barber	Kelvedon 28 Orchehill Avenue Gerrards Cross Buckinghamshire SL9 8QQ
Mitesh Devshi Jatania	Flat 123 25 Porchester Place London W2 2PF
Jonathan James Osborne	PO Box 27213 Dubai UAE Dubai United Arab Emirates

## NETWORK MANAGEMENT LIMITED

### SCHEDULE 2 (to Form 155(6)a)

#### The Form of the Financial Assistance

#### 1. The Form of Financial Assistance

- 1.1 By an agreement (the "**Facilities Agreement**") dated on or around the date hereof and made between, among others, Lornamead Acquisitions Limited (the "**Borrower**") and Barclays Bank plc (the "**Bank**") the Borrower is intending to make borrowings in order to assist it to finance the acquisition of the entire issued share capital of the Company (the "**Acquisition**").
- 1.2 As a condition precedent to the availability of facilities under the Facilities Agreement, the Company will be required to enter into
- (a) an accession deed whereby the Company will accede to the Facilities Agreement as an Additional Guarantor (as defined therein) pursuant to which it will provide a guarantee of the obligations of each other Obligor (as defined therein) to the Bank (the "**Guarantee**");
  - (b) a debenture dated on or around the date hereof made between among others the Company and the Bank; (the "**Debenture**");
  - (c) an accession deed whereby the company will accede to a subordination deed dated on or around the date hereof made between among others the Company and the Bank (the "**Subordination Deed**")

to secure liabilities and obligations each Obligor (as defined in the Facilities Agreement) of which will include amounts used to finance the Acquisition. It is also required to enter into an intra-group loan agreement dated on or around the date hereof made between the Borrower and the Company (the "**Intra-Group Loan Agreement**").

- 1.3 Therefore the financial assistance to be provided by the Company (the "**Financial Assistance**") will take the following form:
- (a) the Company entering into and performing its obligations under the Guarantee, Debenture and Subordination Deed;
  - (b) the Company entering into the Intra-Group Loan Agreement and making advances thereunder to the Borrower; and
  - (c) the Company performing its obligations under a debenture dated 23 December 2003 and made between, amongst others, the Company and the Bank (the "**2003 Debenture**"),

in each case as such document is amended, restated, varied or supplemented from time to time

(each of those documents referred to in (a) to (c) above being referred to as a **"Financial Assistance Document"** and together the **"Financial Assistance Documents"**).

- 1.4 The Company will assume liabilities and obligations under each Financial Assistance Document in accordance with and subject to the terms of each such document.

## NETWORK MANAGEMENT LIMITED

### SCHEDULE 3 (to Form 155(6)a)

#### The Principal Terms of Financial Assistance

##### 1. General

- 1.1 The principal terms of each Financial Assistance Document are summarised and separately described below in relation to each individual Financial Assistance Document.
- 1.2 Expressions defined in each Financial Assistance Document shall have the same meanings in that part of this schedule which relates to that particular Financial Assistance Document unless otherwise defined in schedule 2 or this schedule 3. Clause and other document references used in each part of this schedule are to the clause and other references in the particular Financial Assistance Document to which that particular part of this schedule relates.

##### 2. Guarantee

The principal terms of the Guarantee are as follows.

The Company irrevocably and unconditionally:

- (a) guarantees to the Bank punctual performance by each Obligor of all that Obligor's obligations under the Finance Documents;
- (b) undertakes with the Bank that whenever an Obligor does not pay any amount when due under or in connection with any Finance Document, it shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) indemnifies the Bank immediately on demand against any cost, loss or liability suffered by the Bank if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which the Bank would otherwise have been entitled to recover.

##### 3. Debenture

- 3.1 The Company covenants with the Bank to pay all present and future liabilities of each Obligor owed or expressed to be owed to the Bank under or in connection with the Finance Documents (as the same may from time to time be amended, novated, supplemented or replaced by a document having a similar effect) whether owed jointly or severally, as principal or surety or in any other capacity (the "**Secured Liabilities**") to the Bank when due.
- 3.2 As continuing security for the payment of the Secured Liabilities the Company:
- (a) Real Property

- (i) charges in favour of the Bank by way of legal mortgage all Real Property situated in England and Wales and vested in the Company at the date hereof (including any property specified in the Debenture);
  - (ii) charges in favour of the Bank by way of fixed charge all Real Property situated outside England and Wales and belonging to the Company at the date of the Debenture; and
  - (iii) (to the extent that they are not the subject of an effective legal mortgage under (1) above or a fixed charge under (2) above) charges in favour of the Bank by way of fixed charge all Real Property belonging to it or acquired by it after the date of the Debenture;
- (b) Chattels
 

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in the Chattels;
- (c) Policies
  - (iv) assigns absolutely to the Bank by way of security all right, title and interest of the Company to and in the Key-man Policies; and
  - (v) assigns absolutely to the Bank by way of security all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled in relation to the proceeds of any of the Insurance Policies;
- (d) Intellectual Property
 

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in the Charged Intellectual Property;
- (e) Charged Portfolio
 

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in the Charged Portfolio;
- (f) Accounts
 

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled in relation to all moneys now or at any time hereafter standing to the credit of any account (including the Reserved Accounts) it has with any person (including the Bank) and the debts represented by it together with all rights relating or attaching thereto (including the right to interest accruing thereon);



(g) Rental Income

assigns absolutely to the Bank by way of security all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled against the lessees or any guarantors or sureties for the obligations of such lessees in relation to all rents and other moneys now or at any time hereafter payable under or in respect of any lease of Real Property;

(h) Contracts

assigns absolutely to the Bank by way of security all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled under or in respect of the Contracts;

(i) Debts

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in all the Debts which are not otherwise subject to a fixed charge or assigned (whether at law or in equity) to the Bank by or pursuant to the Debenture;

(j) Goodwill

charges in favour of the Bank by way of fixed charge all goodwill now or at any time hereafter belonging to the Company;

(k) Uncalled Capital

charges in favour of the Bank by way of fixed charge all rights and claims to which the Company is now or may at any time hereafter become entitled in relation to its uncalled capital;

(l) Hedging

assigns absolutely to the Bank by way of security all its rights under any Hedge Document and to the extent they are not subject to an effective assignment, charges in favour of the Bank the Hedge Documents by way of fixed charge;

(m) Orders under Insolvency Act

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in all moneys and other assets now or at any time hereafter due, owing, payable or transferable to the Company or any administrator or liquidator thereof pursuant to any order or declaration of the court made pursuant to any provision of the Insolvency Act 1986; and

(n) **Floating Charge**

charges in favour of the Bank by way of floating charge the whole of the Company's property, undertaking and assets, present and future, other than any property or assets for the time being effectively charged to the Bank by way of fixed charge or effectively assigned (whether at law or in equity) to the Bank or otherwise subject to an effective fixed security in favour of the Bank pursuant to the Debenture.

3.3 Each legal mortgage, fixed charge and assignment created or effected by clause 3 of the Debenture shall be a first fixed security.

3.4 The floating charge shall be a first floating charge.

3.5 The floating charge is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3.6 *Further Assurance*

The Company shall from time to time, at the request of the Bank but at the cost of the Company, do any act or execute any document which the Bank may consider appropriate in order:

- (a) to maintain, preserve, protect, perfect or improve the security created or intended to be created by or pursuant to the Debenture;
- (b) to give the Bank security over any of the property or assets of the Company in addition to that created or intended to be created by or pursuant to the Debenture; or
- (c) to facilitate the realisation of any of the property or assets of the Company or the exercise of any and all powers, authorities and discretions intended to be conferred on the Bank or any Receiver by or pursuant to the Debenture.

Each such document will be in such form and on such terms as the Bank may require.

- (d) upon or with a view to assisting in any enforcement of any mortgage, charge or assignment created by the Debenture, convey, transfer, assign or otherwise deal with any Charged Property in such manner as the [Bank/Agent] or any Receiver may require.

**4. Subordination Deed**

The principal terms of the Subordination Deed are as follows

- (a) the Senior Debt and the Senior Security rank for all purposes and at all times in priority to the Junior Debt and the Junior Security and the Intra Group Debt and the Junior Debt ranks for all purposes and at all times in priority to the Intra Group Debt.
- (b) each of the Junior Creditor and the Intra Group Creditors (including the Company) agree fully to subordinate their claims in respect of the Junior Debt

and the Intra Group Debt respectively to those of the Senior Creditor subject to and in accordance with the terms of the Intercreditor Deed.

## 5. Intra-Group Loan Agreement

The principal terms of the Intra-Group Loan Agreement are as follows.

- (a) Each Intra-Group Bank (including the Company) grants to the Borrower a revolving credit facility (up to a maximum aggregate of £25,000,000) such amount as agreed between the parties from time to time.
- (b) Sums advanced under the Intra-Group Loan Agreement may be used by the Borrower to meet its obligations under the Facilities Agreement and other Finance Documents as well as to pay fees, costs and expenses incurred by it directly or indirectly in connection with the Acquisition and/or the transactions contemplated thereby.
- (c) Sums advanced under the Intra-Group Loan Agreement may be used by the Borrower for general working capital or commercial purposes.
- (d) Any amounts provided to an Intra-Group Borrower under the Intra-Group Loan Agreement shall bear interest at the lowest rate of interest from time to time applicable under the Facilities Agreement or as otherwise agreed from time to time between the relevant Intra-Group Bank and the relevant Intra-Group Borrower and shall remain outstanding on inter-company account with payment in accordance with clause 8 of the Intra-Group Loan Agreement.
- (e) Sums advanced under the Intra-Group Loan Agreement are repayable on demand subject to certain restrictions contained in the Intra-Group Loan Agreement.

## 6. 2003 Debenture

### 6.1 *Covenant to Pay*

The Company shall on demand by the Bank discharge each and every liability, of any kind whatsoever and howsoever arising, which the Company may now or at any time hereafter have to the Bank whether (a) present or future (b) actual or contingent (c) incurred by the Company alone or jointly with another person or other persons and/or (d) incurred by the Company as principal or as surety or in some other capacity (e) incurred on any account or in any manner whatsoever (including but not limited to those arising under or pursuant to, or in respect of or in connection with the Agreement or any other Facility Document or the Barclays Invoice Discounting Facility including any liability in respect of any further advances and any liability in respect of any breach of any obligation, undertaking, representation or warranty and pay to the Bank every sum (of or in respect of principal, interest or otherwise) now or at any time hereafter due, owing, payable or incurred from or by the Company to the Bank under or pursuant to, or in respect of or in connection with, any such liabilities (the "**Secured Liabilities**").

### 6.2 *Creation of security*

As a continuing security for the payment and discharge of the Secured Liabilities, the Company:

- (a) Intellectual Property

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in the Charged Intellectual Property;

(b) Contracts

assigns absolutely to the Bank all right, title and interest of the Company to and in all rights and claims to which the Company to is now or may at any time hereafter become entitled under or in respect of the Contracts, including, without limitation, in respect of claims for breach of warranty under the Acquisition Agreement, the Network Sale and Purchase Agreement, the Trade Mark Assignments, the Goodwill Assignments and any claims in respect of the Due Diligence Reports.

(c) Debts

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in all the Debts which are not otherwise subject to a fixed charge or assigned (whether at law or in equity) to the Bank by or pursuant to the Agreement;

(d) Policies

assigns absolutely to the Bank all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled in relation to the proceeds of any of the Policies;

(e) Investments

charges in favour of the Bank by way of a fixed charge all right, title and interest of the Company to and in the Investments;

(f) Goodwill

charges in favour of the Bank by way of fixed charge all goodwill now or at any time hereafter belonging to the Company including, without limitation, Goodwill acquired pursuant to the Goodwill Assignments;

(g) Orders under Insolvency Act

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in all moneys and other assets now or at any time hereafter due, owing, payable or transferable to the Company or any administrator or liquidator thereof pursuant to any order or declaration of the court made pursuant to any provision of the Insolvency Act 1986; and

(h) Floating Charge

charges in favour of the Bank by way of floating charge the whole of the Company's undertaking and assets, present and future, other than any assets for the time being effectively charged to the Bank by way of fixed charge or effectively assigned (whether at law or in equity) to the Bank or otherwise subject to an effective fixed security in favour of the Bank pursuant to this Agreement.

In addition, as a continuing security for the payment and discharge of the Secured Liabilities, the Company hereby with full title guarantee charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled in relation to all moneys now or at any time hereafter standing to the credit of the Prepayment Account together with all rights relating or attaching thereto (including the right to interest accruing thereon).

6.3 Each legal mortgage, fixed charge and assignment created or effected by clauses 3.1 and 3.2 of the 2003 Debenture shall be a first fixed security.

6.4 The floating charge shall be a first floating charge.

6.5 Where the effect of Schedule B1 of the Insolvency Act 1986 is not excluded by section 249 of the Enterprise Act 2002 with respect to any of the Charging Companies and without prejudice to any power of appointment which the Bank may have under clause 13.1(A), paragraph 14 of Schedule B1 to the Insolvency Act shall apply to the floating charge.

6.6 *Further Assurance*

The Company shall from time to time, at the request of the Bank but at the cost of the Company, do any act or execute any document which the Bank may consider appropriate in order:

- (a) to maintain, preserve, protect, perfect or improve the security created or intended to be created by or pursuant to the Agreement excluding the requirement for use in respect of the Non Business Registered Trade Marks;
- (b) to give the Bank security over any of the property or assets of the Company in addition to that created or intended to be created by or pursuant to the Agreement; or
- (c) to facilitate the realisation of any of the property or assets of the Company or the exercise of any and all powers, authorities and discretions intended to be conferred on the Bank by or pursuant to the Agreement.

Each such document will be in such form and on such terms as the Bank may require.

The obligations of the Company under clause 7 of the 2003 Debenture shall be in addition to and not in substitution for the covenants for further assurance deemed to be included in this Agreement by virtue of Section 2 of the Law of Property (Miscellaneous Provisions) Act 1994.

**NETWORK MANAGEMENT LIMITED**

**SCHEDULE 4  
(to Form 155(6)a)**

**The amount of cash to be transferred to the person assisted is:**

Any amounts advanced to the Borrower under the Intra Group Loan Agreement up to a maximum of 25,000,000.



**BDO Stoy Hayward LLP**  
Chartered Accountants

8 Baker Street London W1U 3LL  
Telephone: +44 (0)20 7486 5888  
Facsimile: +44 (0)20 7935 3944  
DX 9025 West End W1  
Web site: www.bdo.co.uk

**Private and Confidential**

The Directors  
Network Management Limited  
c/o Lornamead Acquisitions Limited  
Carmelite  
50 Victoria Embankment  
London  
EC4Y 0DX

10 January 2005

Our ref: 4653/PNP/CAR/N123

Dear Sirs

**Independent auditors' report to the directors of Network Management Limited pursuant to Section 156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors of Network Management Limited (the "Company") dated 10 January 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's parent company, Law 2397 Limited.

Our report has been prepared pursuant to the requirements of section 156(4) of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of section 156(4) of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

**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.

Yours faithfully

*BDO Stoy Hayward LLP*

**BDO Stoy Hayward LLP**  
*Chartered Accountants and Registered Auditors*



COMPANIES HOUSE

10 JAN 2005

000/CR/BDO Sec 156 letter re subsidiary-1  
z:\jobs\m\123 - project alpha\auditors statutory reports\letter type b\network management re law 2397.doc

**CHFP025**

## 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

T	-	T	-	T	-
I		I		I	
E	-	E	-	E	-

1766292

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

Name of company

\* NETWORK MANAGEMENT LIMITED

\* insert full name  
of company

I/Wes SEE SCHEDULE 1

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

JON OSBERNE. 706, THE ATRIUM, BIR DASH, DASH PO BOX 27413  
MIKE JATANIA FLAT 123, ROCHESTER PLACE, LONDON W12 2LF  
LESLIE BARBER.

† 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:**

§ delete whichever  
is inappropriate

~~1a) that of a "deposit-taking institution" within the meaning of the Banking Act 1978~~

~~is that of a person authorized under sections 3 or 4 of the Insurance Companies Act, 1982 to carry on~~

~~insecure + stress + life + 016101610161016~~

(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    LAW 2397 LIMITED

The assistance is for the purpose of [that acquisition] ~~producing or encouraging a security interest for the~~

~~XXXXXXXXXXXXXXXXXXXX~~

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

1,000,000 ORDINARY SHARES

OF £0.50 EACH

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

TaylorWessing  
Carmelite, 50 Victoria  
Embankment, Blackfriars,  
London, EC4Y 0DX

For official Use  
General Section

Post room



The assistance is to be given to: (note 2) LORNAMEAD ACQUISITIONS LIMITED  
(NO. 05279065) OF CARMELITE, 50 VICTORIA EMBANKMENT, LONDON, EC4Y 0DX

Please do not  
write in this  
margin

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

The assistance will take the form of:

SEE SCHEDULE 2

The person who ~~has acquired~~ (will acquire) the shares is:

† delete as  
appropriate

LORNAMEAD ACQUISITIONS LIMITED (NO. 05279065)

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 £ SEE SCHEDULE 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 the 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

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

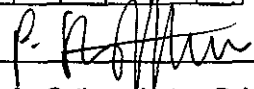
ALLEN LIVERY, API TOWER, DUBAI, UAE

Declarants to sign below

on 

Day	Month	Year
10	01	2005

before me



PAUL STOTNARD

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

**NETWORK MANAGEMENT LIMITED**

**SCHEDULE 1**  
**(to Form 155(6)a)**

**The Directors**

<b>Name</b>	<b>Address</b>
Leslie Christopher Barber	Kelvedon 28 Orchehill Avenue Gerrards Cross Buckinghamshire SL9 8QQ
Mitesh Devshi Jatania	Flat 123 25 Porchester Place London W2 2PF
Jonathan James Osborne	PO Box 27213 Dubai UAE Dubai United Arab Emirates

## NETWORK MANAGEMENT LIMITED

### SCHEDULE 2 (to Form 155(6)a)

#### The Form of the Financial Assistance

##### 1. The Form of Financial Assistance

1.1 By an agreement (the "**Facilities Agreement**") dated on or around the date hereof and made between, among others, Lomamead Acquisitions Limited (the "**Borrower**") and Barclays Bank plc (the "**Bank**") the Borrower is intending to make borrowings in order to assist it to finance the acquisition of the entire issued share capital of the Company (the "**Acquisition**").

1.2 As a condition precedent to the availability of facilities under the Facilities Agreement, the Company will be required to enter into

- (a) an accession deed whereby the Company will accede to the Facilities Agreement as an Additional Guarantor (as defined therein) pursuant to which it will provide a guarantee of the obligations of each other Obligor (as defined therein) to the Bank (the "**Guarantee**");
- (b) a debenture dated on or around the date hereof made between among others the Company and the Bank; (the "**Debenture**");
- (c) an accession deed whereby the company will accede to a subordination deed dated on or around the date hereof made between among others the Company and the Bank (the "**Subordination Deed**")

to secure liabilities and obligations each Obligor (as defined in the Facilities Agreement) of which will include amounts used to finance the Acquisition. It is also required to enter into an intra-group loan agreement dated on or around the date hereof made between the Borrower and the Company (the "**Intra-Group Loan Agreement**").

1.3 Therefore the financial assistance to be provided by the Company (the "**Financial Assistance**") will take the following form:

- (a) the Company entering into and performing its obligations under the Guarantee, Debenture and Subordination Deed;
- (b) the Company entering into the Intra-Group Loan Agreement and making advances thereunder to the Borrower; and
- (c) the Company performing its obligations under a debenture dated 23 December 2003 and made between, amongst others, the Company and the Bank (the "**2003 Debenture**"),

in each case as such document is amended, restated, varied or supplemented from time to time

(each of those documents referred to in (a) to (c) above being referred to as a **"Financial Assistance Document"** and together the **"Financial Assistance Documents"**).

- 1.4 The Company will assume liabilities and obligations under each Financial Assistance Document in accordance with and subject to the terms of each such document.

## NETWORK MANAGEMENT LIMITED

### SCHEDULE 3 (to Form 155(6)a)

#### The Principal Terms of Financial Assistance

##### 1. General

- 1.1 The principal terms of each Financial Assistance Document are summarised and separately described below in relation to each individual Financial Assistance Document.
- 1.2 Expressions defined in each Financial Assistance Document shall have the same meanings in that part of this schedule which relates to that particular Financial Assistance Document unless otherwise defined in schedule 2 or this schedule 3. Clause and other document references used in each part of this schedule are to the clause and other references in the particular Financial Assistance Document to which that particular part of this schedule relates.

##### 2. Guarantee

The principal terms of the Guarantee are as follows.

The Company irrevocably and unconditionally:

- (a) guarantees to the Bank punctual performance by each Obligor of all that Obligor's obligations under the Finance Documents;
- (b) undertakes with the Bank that whenever an Obligor does not pay any amount when due under or in connection with any Finance Document, it shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) indemnifies the Bank immediately on demand against any cost, loss or liability suffered by the Bank if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which the Bank would otherwise have been entitled to recover.

##### 3. Debenture

- 3.1 The Company covenants with the Bank to pay all present and future liabilities of each Obligor owed or expressed to be owed to the Bank under or in connection with the Finance Documents (as the same may from time to time be amended, novated, supplemented or replaced by a document having a similar effect) whether owed jointly or severally, as principal or surety or in any other capacity (the "**Secured Liabilities**") to the Bank when due.
- 3.2 As continuing security for the payment of the Secured Liabilities the Company:
  - (a) Real Property

- (i) charges in favour of the Bank by way of legal mortgage all Real Property situated in England and Wales and vested in the Company at the date hereof (including any property specified in the Debenture);
  - (ii) charges in favour of the Bank by way of fixed charge all Real Property situated outside England and Wales and belonging to the Company at the date of the Debenture; and
  - (iii) (to the extent that they are not the subject of an effective legal mortgage under (1) above or a fixed charge under (2) above) charges in favour of the Bank by way of fixed charge all Real Property belonging to it or acquired by it after the date of the Debenture;
- (b) Chattels
- charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in the Chattels;
- (c) Policies
- (iv) assigns absolutely to the Bank by way of security all right, title and interest of the Company to and in the Key-man Policies; and
  - (v) assigns absolutely to the Bank by way of security all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled in relation to the proceeds of any of the Insurance Policies;
- (d) Intellectual Property
- charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in the Charged Intellectual Property;
- (e) Charged Portfolio
- charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in the Charged Portfolio;
- (f) Accounts
- charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled in relation to all moneys now or at any time hereafter standing to the credit of any account (including the Reserved Accounts) it has with any person (including the Bank) and the debts represented by it together with all rights relating or attaching thereto (including the right to interest accruing thereon);

(g) Rental Income

assigns absolutely to the Bank by way of security all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled against the lessees or any guarantors or sureties for the obligations of such lessees in relation to all rents and other moneys now or at any time hereafter payable under or in respect of any lease of Real Property;

(h) Contracts

assigns absolutely to the Bank by way of security all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled under or in respect of the Contracts;

(i) Debts

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in all the Debts which are not otherwise subject to a fixed charge or assigned (whether at law or in equity) to the Bank by or pursuant to the Debenture;

(j) Goodwill

charges in favour of the Bank by way of fixed charge all goodwill now or at any time hereafter belonging to the Company;

(k) Uncalled Capital

charges in favour of the Bank by way of fixed charge all rights and claims to which the Company is now or may at any time hereafter become entitled in relation to its uncalled capital;

(l) Hedging

assigns absolutely to the Bank by way of security all its rights under any Hedge Document and to the extent they are not subject to an effective assignment, charges in favour of the Bank the Hedge Documents by way of fixed charge;

(m) Orders under Insolvency Act

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in all moneys and other assets now or at any time hereafter due, owing, payable or transferable to the Company or any administrator or liquidator thereof pursuant to any order or declaration of the court made pursuant to any provision of the Insolvency Act 1986; and



(n) **Floating Charge**

charges in favour of the Bank by way of floating charge the whole of the Company's property, undertaking and assets, present and future, other than any property or assets for the time being effectively charged to the Bank by way of fixed charge or effectively assigned (whether at law or in equity) to the Bank or otherwise subject to an effective fixed security in favour of the Bank pursuant to the Debenture.

3.3 Each legal mortgage, fixed charge and assignment created or effected by clause 3 of the Debenture shall be a first fixed security.

3.4 The floating charge shall be a first floating charge.

3.5 The floating charge is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3.6 **Further Assurance**

The Company shall from time to time, at the request of the Bank but at the cost of the Company, do any act or execute any document which the Bank may consider appropriate in order:

- (a) to maintain, preserve, protect, perfect or improve the security created or intended to be created by or pursuant to the Debenture;
- (b) to give the Bank security over any of the property or assets of the Company in addition to that created or intended to be created by or pursuant to the Debenture; or
- (c) to facilitate the realisation of any of the property or assets of the Company or the exercise of any and all powers, authorities and discretions intended to be conferred on the Bank or any Receiver by or pursuant to the Debenture.

Each such document will be in such form and on such terms as the Bank may require.

- (d) upon or with a view to assisting in any enforcement of any mortgage, charge or assignment created by the Debenture, convey, transfer, assign or otherwise deal with any Charged Property in such manner as the [Bank/Agent] or any Receiver may require.

**4. Subordination Deed**

The principal terms of the Subordination Deed are as follows

- (a) the Senior Debt and the Senior Security rank for all purposes and at all times in priority to the Junior Debt and the Junior Security and the Intra Group Debt and the Junior Debt ranks for all purposes and at all times in priority to the Intra Group Debt.
- (b) each of the Junior Creditor and the Intra Group Creditors (including the Company) agree fully to subordinate their claims in respect of the Junior Debt

and the Intra Group Debt respectively to those of the Senior Creditor subject to and in accordance with the terms of the Intercreditor Deed.

## **5. Intra-Group Loan Agreement**

The principal terms of the Intra-Group Loan Agreement are as follows.

- (a) Each Intra-Group Bank (including the Company) grants to the Borrower a revolving credit facility (up to a maximum aggregate of £25,000,000) such amount as agreed between the parties from time to time.
- (b) Sums advanced under the Intra-Group Loan Agreement may be used by the Borrower to meet its obligations under the Facilities Agreement and other Finance Documents as well as to pay fees, costs and expenses incurred by it directly or indirectly in connection with the Acquisition and/or the transactions contemplated thereby.
- (c) Sums advanced under the Intra-Group Loan Agreement may be used by the Borrower for general working capital or commercial purposes.
- (d) Any amounts provided to an Intra-Group Borrower under the Intra-Group Loan Agreement shall bear interest at the lowest rate of interest from time to time applicable under the Facilities Agreement or as otherwise agreed from time to time between the relevant Intra-Group Bank and the relevant Intra-Group Borrower and shall remain outstanding on inter-company account with payment in accordance with clause 8 of the Intra-Group Loan Agreement.
- (e) Sums advanced under the Intra-Group Loan Agreement are repayable on demand subject to certain restrictions contained in the Intra-Group Loan Agreement.

## **6. 2003 Debenture**

### **6.1 Covenant to Pay**

The Company shall on demand by the Bank discharge each and every liability, of any kind whatsoever and howsoever arising, which the Company may now or at any time hereafter have to the Bank whether (a) present or future (b) actual or contingent (c) incurred by the Company alone or jointly with another person or other persons and/or (d) incurred by the Company as principal or as surety or in some other capacity (e) incurred on any account or in any manner whatsoever (including but not limited to those arising under or pursuant to, or in respect of or in connection with the Agreement or any other Facility Document or the Barclays Invoice Discounting Facility including any liability in respect of any further advances and any liability in respect of any breach of any obligation, undertaking, representation or warranty and pay to the Bank every sum (of or in respect of principal, interest or otherwise) now or at any time hereafter due, owing, payable or incurred from or by the Company to the Bank under or pursuant to, or in respect of or in connection with, any such liabilities (the "Secured Liabilities").

### **6.2 Creation of security**

As a continuing security for the payment and discharge of the Secured Liabilities, the Company:

- (a) Intellectual Property

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in the Charged Intellectual Property;

(b) Contracts

assigns absolutely to the Bank all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled under or in respect of the Contracts, including, without limitation, in respect of claims for breach of warranty under the Acquisition Agreement, the Network Sale and Purchase Agreement, the Trade Mark Assignments, the Goodwill Assignments and any claims in respect of the Due Diligence Reports.

(c) Debts

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in all the Debts which are not otherwise subject to a fixed charge or assigned (whether at law or in equity) to the Bank by or pursuant to the Agreement;

(d) Policies

assigns absolutely to the Bank all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled in relation to the proceeds of any of the Policies;

(e) Investments

charges in favour of the Bank by way of a fixed charge all right, title and interest of the Company to and in the Investments;

(f) Goodwill

charges in favour of the Bank by way of fixed charge all goodwill now or at any time hereafter belonging to the Company including, without limitation, Goodwill acquired pursuant to the Goodwill Assignments;

(g) Orders under Insolvency Act

charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in all moneys and other assets now or at any time hereafter due, owing, payable or transferable to the Company or any administrator or liquidator thereof pursuant to any order or declaration of the court made pursuant to any provision of the Insolvency Act 1986; and

(h) Floating Charge

charges in favour of the Bank by way of floating charge the whole of the Company's undertaking and assets, present and future, other than any assets for the time being effectively charged to the Bank by way of fixed charge or effectively assigned (whether at law or in equity) to the Bank or otherwise subject to an effective fixed security in favour of the Bank pursuant to this Agreement.

In addition, as a continuing security for the payment and discharge of the Secured Liabilities, the Company hereby with full title guarantee charges in favour of the Bank by way of fixed charge all right, title and interest of the Company to and in all rights and claims to which the Company is now or may at any time hereafter become entitled in relation to all moneys now or at any time hereafter standing to the credit of the Prepayment Account together with all rights relating or attaching thereto (including the right to interest accruing thereon).

6.3 Each legal mortgage, fixed charge and assignment created or effected by clauses 3.1 and 3.2 of the 2003 Debenture shall be a first fixed security.

6.4 The floating charge shall be a first floating charge.

6.5 Where the effect of Schedule B1 of the Insolvency Act 1986 is not excluded by section 249 of the Enterprise Act 2002 with respect to any of the Charging Companies and without prejudice to any power of appointment which the Bank may have under clause 13.1(A), paragraph 14 of Schedule B1 to the Insolvency Act shall apply to the floating charge.

6.6 *Further Assurance*

The Company shall from time to time, at the request of the Bank but at the cost of the Company, do any act or execute any document which the Bank may consider appropriate in order:

- (a) to maintain, preserve, protect, perfect or improve the security created or intended to be created by or pursuant to the Agreement excluding the requirement for use in respect of the Non Business Registered Trade Marks;
- (b) to give the Bank security over any of the property or assets of the Company in addition to that created or intended to be created by or pursuant to the Agreement; or
- (c) to facilitate the realisation of any of the property or assets of the Company or the exercise of any and all powers, authorities and discretions intended to be conferred on the Bank by or pursuant to the Agreement.

Each such document will be in such form and on such terms as the Bank may require.

The obligations of the Company under clause 7 of the 2003 Debenture shall be in addition to and not in substitution for the covenants for further assurance deemed to be included in this Agreement by virtue of Section 2 of the Law of Property (Miscellaneous Provisions) Act 1994.

**NETWORK MANAGEMENT LIMITED**

**SCHEDULE 4  
(to Form 155(6)a)**

**The amount of cash to be transferred to the person assisted is:**

Any amounts advanced to the Borrower under the Intra Group Loan Agreement up to a maximum of 25,000,000.



**BDO Stoy Hayward LLP**  
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**Private and Confidential**

The Directors  
Network Management Limited  
c/o Lornamead Acquisitions Limited  
Carmelite  
50 Victoria Embankment  
London  
EC4Y 0DX

10 January 2005

Our ref: 4653/PNP/CAR/N123

Dear Sirs

**Independent auditors' report to the directors of Network Management Limited pursuant to Section 156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors of Network Management Limited (the "Company") dated 10 January 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's parent company, Law 2397 Limited.

Our report has been prepared pursuant to the requirements of section 156(4) of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of section 156(4) of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

**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.

Yours faithfully

*BDO Stoy Hayward LLP*

**BDO Stoy Hayward LLP**  
*Chartered Accountants and Registered Auditors*

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