

G

CHA 116

COMPANIES FORM No. 155(6)b

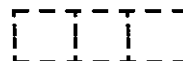
**Declaration by the directors
of a holding company in
relation to assistance for the
acquisition of shares.****155(6)b**Please do not
write in this
marginPlease complete
legibly, preferably
in black type, or
bold block letteringNote
Please read the notes
on page 3 before
completing this form*Insert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

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

To the Registrar of Companies

For official use

Company number



2246025

Name of company

* FINANCIAL OPTIONS GROUP LIMITED

We† See Appendix A

~~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 3 or 4 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom†~~
(c) something other than the above‡

This company is [the]† holding company of* Education & Development Limited
("Subco") _____ 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):

Pinsent Curtis
41 Park Square
LEEDS
LS1 2NS

AJA.097.3114.6 FOG-2B

For official use
General Section

Post room



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

Please do not
write in this
margin

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

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

The assistance is to be given to: (note 2) See Appendix C

The assistance will take the form of:

See Appendix D

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

Pinco 1075 Limited

†Delete as
appropriate

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

See Appendix E

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 £ See Appendix F

The value of any asset to be transferred to the person assisted is £ Nil

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

☒ 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)

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

(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 ☒ 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

Pinecroft Antio
Amulata Leeds

the

4th day of September

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

[Signatures]

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.

APPENDIX A

Kevin John Budge of 1 Robins Lane, Bramhall, Stockport, Cheshire SK7 2PE

Mark Steven Brodie Blake of Clifton House, Southport Road, Chorley, Lancashire PR7 1NT

Ronald Robert Leith of Swillbrook Farm, Catforth Road, Catforth, Preston, Lancashire PR4 0HE

Michael David Blake of 17 Habegham Close,
Worsley, Manchester M28 7XJ.

APPENDIX B

8,445 "A" Ordinary Shares of £1 each and 106,316 "B" Ordinary Shares of £1 each in the capital of Financial Options Group Limited

APPENDIX C

Pinco 1075 Limited (company number 3573352) whose registered office is at Capital House, Waterfront Quay, Salford Quays, Manchester M5.

APPENDIX D

The assistance will take the form of:-

- 1 the execution and delivery by Subco of an inter-company loan agreement (the "Intra-Group Loan Agreement") proposed to be made between Pinco 1075 Limited, Financial Options Group Limited, Subco, Financial Options Advisors Limited, Financial Options Limited and Investment Options Limited;
- 2 the execution and delivery by Subco of unlimited composite guarantees (the "Bank Guarantees") in favour of National Westminster Bank Plc (the "Bank");
- 3 the execution and delivery by Subco of a debenture (the "Bank Debenture") in favour of the Bank;
- 4 the execution and delivery by Subco of an unlimited composite guarantee (the "Security Trustee Guarantee") in favour of Barclays Industrial Development Limited (the "Security Trustee");
- 5 the execution and delivery by Subco of a debenture (the "Security Trustee Debenture") in favour of the Security Trustee;
- 6 the execution and delivery by Subco of a security agency agreement (the "Security Agency Agreement") proposed to be entered into by Pinco 1075 Limited, Financial Options Group Limited and certain subsidiaries of Financial Options Group Limited, the Security Trustee and the holders of certain loan notes mentioned therein;
- 7 the execution and delivery by Subco of an inter-creditor agreement (the "Deed of Priority") proposed to be entered into by Pinco 1075 Limited, Financial Options Group Limited and certain subsidiaries of Financial Options Group Limited, the Bank, the Investor (as defined therein), the Security Trustee and the Vendors (as defined therein).

APPENDIX E

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

- 1 under the terms of the Intra-Group Loan Agreement, Subco and others would make available to Pinco 1075 Limited a revolving credit facility (without limit) to be used by Pinco 1075 Limited in (amongst other things) meeting its payment obligations under the Revolving Credit and Overdraft Facility Agreement and the Working Capital Facility Letter and the Secured Loan Note Instrument and providing security to the Bank in connection with the Revolving Credit and Overdraft Facility Agreement and the Working Capital Facility Letter;
- 2 under the terms of the Bank Guarantees, Subco would guarantee the payment and discharge by Pinco 1075 Limited of all Pinco 1075 Limited's obligations and liabilities to the Bank (including, without limitation, under the Revolving Credit and Overdraft Facility Agreement and the Working Capital Facility Letter) and of all of Financial Options Advisors Limited's and Financial Options Group Limited's liabilities and obligations to the Bank;
- 3 under the terms of the Bank Debenture, Subco would charge all its assets and undertaking by way of security for payment and discharge of all obligations and liabilities of the Company to the Bank (including, without limitation, under the Bank Guarantees);
- 4 under the terms of the Security Trustee Guarantee, Subco would guarantee the payment and discharge by Pinco 1075 Limited of all Pinco 1075 Limited's obligations and liabilities to the Security Trustee (including without limitation under the Secured Loan Note Instrument);
- 5 under the terms of the Security Trustee Debenture, Subco would charge all its assets and undertaking by way of security for payment and discharge of all obligations and liabilities of Subco to the Security Trustee (including without limitation under the Security Trustee Guarantee);
- 6 under the terms of the Security Agency Agreement, Subco would agree to the Security Trustee being appointed security trustee for the noteholders of the Secured Loan Note Instrument; and
- 7 under the terms of the Deed of Priority, Subco would agree to the priority and subordination provisions agreed between the parties thereto.

Note:

"Revolving Credit and Overdraft Facility Agreement" means the £5,250,000 revolving credit and overdraft facility agreement of even date with this statutory declaration made between Pinco 1075 Limited and the Bank.

"Working Capital Facility Letter" means the £1,000,000 working capital facility letter of even date with this statutory declaration made between Pinco 1075 Limited and the Bank.

"Secured Loan Note Instrument" means the loan note instrument constituting £5,150,000 Secured Loan Notes 2006 to be issued by Pinco 1075 Limited.

APPENDIX F

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

APPENDIX G

On the date hereof and/or any date or dates falling within the period of eight weeks immediately following the date of this statutory declaration.



AUDITORS' REPORT TO THE DIRECTORS OF FINANCIAL OPTIONS GROUP LIMITED (the "Company") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985.

We have examined the attached statutory declarations of the directors dated 4 September 1998 in connection with the proposal that Education and Development Limited 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 those statutory declarations.

Opinion

We are not aware of anything to indicate that the opinions expressed by the directors in their declarations as to any of the matters mentioned in section 156(2) of the Companies Act are unreasonable in all the circumstances.

Deloitte & Touche
Registered Auditors
4 September 1998

10-12 East Parade
Leeds
LS1 2AJ