

**COMPANIES FORM No. 155(6)b** 

To the Registrar of Companies

Name of company

# **Declaration by the directors** of a holding company in relation to assistance for the acquisition of shares.



Please do not write in this margin

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

CLAREMONT GARMENTS LIMITED

Please complete legibly, preferably in black type, or

**bold block lettering** 

For official use	Company number
	2429682

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

\*Insert full name

of company

finsert name(s) and address(es) of all the directors

Vet	See	Rider	1				
					•	-	
		····	····			•	

**\$Delete** as appropriate /

[thex salex slice of the above company (hereinafter called 'this company') do solemnly and sincerely declare that:

**‡Delete** whichever is inappropriate

The business of the company is:

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(c) something other than the above‡

134 (

This company is [the] [3] holding company of\* D&H Cohen Limited (Registered No. SCO23255) which is proposing to give financial assistance in connection with the acquisition of shares in [this company] [ the hobing company xx this company.]‡

1341

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

S J Berwin & Co 222 Grays Inn Road London WC1X 8HB

431/C5463.134/CF:137911.1

For official use General Section



ourpose of that acquisition].† (note 1)	margin Please complete
The number and class of the shares acquired or to be acquired is: 100 ordinary shares of £1  each in Claremont Garments Limited	legibly, preferably in black type, or bold block lettering
The assistance is to be given to: (note 2) Claremont Garments (Holdings) plc,	
Company No. 00320013, whose registered office is 1 Stephenson Road, Peterlee, County Durham 5R8 5AX	
The assistance will take the form of:	
(a) the execution and delivery of a debenture (the "Debenture") from D&H Cohen Limited in favour of Barclays Bank PLC for itself and as agent and trustee for NM Rothschild & Sons Limited and The Governor and Company of The Bank of Scotland;	
(b) the execution and delivery of a guarantee from D&H Cohen Limited in favour of NM Rothschild & Sons Limited (the "Rothschild Guarantee"); and	
(c) the execution and delivery of a guarantee from D&H Cohen Limited in favour of The Governor and Company of The Bank of Scotland (the "Bank of Scotland Guarantee")	
	í
The person who [has acquired] [willbasquire] the shares is:  Claremont Garments (Holdings) plc	†Delete as appropriate
ordromono darmono (nordrigo) pro	
The principal terms on which the assistance will be given are:	
See Rider 2	
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	
	l
by giving it is Nil	l - - Page 2

Please do not	The date on which the assistance is to be given is
write in this margin	

Picase complete legibly, preferably in black type, or bold block lettering 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)

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

(b) [It visc vintendenck stack commences the wrinding-sup-vafe the company writhin xi2 x nomina xofe that xidete, x and xidete have xidended that xopinions that xide xoponyx will be abled to x poops its xidebtes in full writhin xi2 x nomina xofe the commencement xofe the xeinding-sup.]\* (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 23 Portman	Close
London, W.1.	
the day of	Tinl
One thousand nine hundred and	
before me Athony D	hille
A Commissioner for Oaths or No	r

the Peace or a Solicitor having the powers conferred on

Declarants to sign below

ANTHONY D. MILLET

#### 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.

a Commissioner for Oaths.

- 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.

## RIDER 1 TO STATUTORY DECLARATION OF CLAREMONT GARMENTS LIMITED

ANTHONY PIERRE BOBROFF of 13 Batchworth Lane, Northwood, Middlesex HA6 3AT, MICHAEL JOSEPH MCWILLIAMS of Scotland Head House, Winlaton, Blaydon, Tyne and Wear NE21 6PL, DAVID PRICE of The Dower House Woodlands Hall, Knitsley, Consett, County Durham DH8 9HA, PAUL JOHN SHELDRICK of Rose Cottage, 18 Wynyard Road, Wolviston, Cleveland TS22 5LL, NICHOLAS IAN HAMILTON of Middlemare, Mare Hill, Pulborough, West Sussex RH20 2EA, DAVID MASON of 4 Durham Road, Sedgefield, Stockton on Tees, Cleveland TS20 3DW, DAVID MCGARVEY of 3 Loudwater Ridge, Loudwater, Rickmanworth, Hertfordshire WD2 4AR, KEVIN MICHAEL WEIR of High Bank Main Street, Houghton on the Hill, Leicester, Leicestershire LE7 9GD and PETER MICHAEL WIEGAND of Tentworth House, Tentworth Iping, Midhurst, West Sussex GU29 0PH

Each of the above directors are swearing the Statutory Declarations simultaneously but separately as they are unable to be physically in the same place.

# RIDER 2 TO STATUTORY DECLARATION OF DIRECTORS OF CLAREMONT GARMENTS LIMITED IN RELATION TO ASSISTANCE FROM ITS SUBSIDIARY D&H COHEN LIMITED

### Introduction

It is a condition precedent to certain new facilities being made available under the Finance Documents (defined below) by the Secured Parties to Claremont Garments (Holdings) Plc (and certain of its subsidiaries) that D&H Cohen (hereinafter the "Company") execute the Debenture, the Rothschild Guarantee and the Bank of Scotland Guarantee as security for the Parent's obligations to the Secured Parties.

### "Finance Documents" means:

- (a) £1.3 million Facility Letter dated 4 November 1992 from The Governor and Company of The Bank of Scotland to the Parent together with a letter of addendum dated 10 April 1997 from The Governor and Company of The Bank of Scotland addressed to the Parent increasing the facilities to £13.3 million;
- (b) £9,833,333 Facility Letter from N M Rothschild & Sons Limited dated April 1997 to the Parent;
- (c) £5 million Overdraft Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent and those of its Subsidiaries named therein which include the Company; and
- (d) £25 million Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent as amended by a Letter from Barclays Bank PLC dated 11 June 1997 to the Parent.

The principal terms on which the assistance will be given by D&H Cohen Limited (hereinafter the "Company") are:

- 1 Under the terms of the Debenture:
- 1.1 The Company will on demand in writing made to the Company pay or discharge to Barclays Bank PLC (hereinafter for the purposes of this Clause 1 called "the Bank") for itself and as agent and trustee to N M Rothschild & Sons Limited and Bank of Scotland all moneys and liabilities which shall for the time being (and whether on or at any time after such demand) be due owing or incurred to the Bank N M Rothschild & Sons Limited or Bank of Scotland by the Company whether actually or contingently and whether solely or jointly with any other person and whether as principal or surety and including interest discount commission or other lawful charges and expenses which the Bank, N M Rothschild & Sons Limited or Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Company's account and so that interest shall be computed and compounded according to the usual mode of the Bank, N M Rothschild & Sons Limited or Bank of Scotland as well as after as before any demand made or judgment obtained under the Debenture.
- 1.2 The Company with full title guarantee charges with the payment or discharge of all moneys and liabilities covenanted to be paid or discharged by the Company:-
  - (a) by way of legal mortgage all the freehold and leasehold property of the Company the title to which is registered at H M Land Registry and which is

described in the schedule to the Debenture together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;

- (b) by way of legal mortgage all other freehold and leasehold property of the Company now vested in it (whether or not registered at H M Land Registry) together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- by way of first fixed charge all future freehold and leasehold property of the Company together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and all the goodwill and uncalled capital for the time being of the Company;
- (d) by way of first charge all books debts and other debts now and from time to time due or owing to the Company;
- (e) by way of a first floating charge all other the undertaking and assets of the Company whatsoever and wheresoever both present and future but so that the Company is not to be a liberty to create any mortgage or charge upon and so that no lien shall in any case or any manner arise on or affect any part of the said premises either in priority to or pari passu with the charge and further that the Company shall have no power without the consent of the Bank to part with or dispose of any part of such premises except by way of sale in the ordinary course of its business.

Any debentures mortgages or charges created after execution of the Debenture by the Company (otherwise than in favour of the Bank) shall be expressed to be subject to the Debenture. The Company shall subject to the rights of any prior mortgage deposit with the Bank and the Bank during the continuance of the Debenture shall be entitled to hold all deeds and documents of title relating to the Company's freehold and leasehold property for the time being and the Company shall on demand in writing made to the Company by the Bank at the cost of the Company execute a valid legal mortgage of any freehold and leasehold properties acquired by it after the date hereof and the fixed plant and machinery thereon to secure the payment or discharge to the Bank of the moneys and liabilities hereby secured such legal mortgage to be in such form as the Bank may require.

- 2. Under the terms of the Rothschild Guarantee:
- 2.1 In consideration of N.M. Rothschild & Sons Limited (hereinafter for the purposes of this Clause 2 the "Bank") making banking facilities or other accommodation available to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 2 the "Principal") the Company as Guarantor irrevocably and unconditionally:-
  - (a) guarantees to the Bank, as principal obligor, the due and punctual payment by the Principal of all money and liabilities, owing or incurred to the Bank by the Principal howsoever arising whether actual or contingent, solely or jointly with any other person and whether as principal or surety together with all interest accruing thereon and all costs, charges and expenses incurred by the Bank in connection therewith (the "Indebtedness") as and when they become due; and
  - (b) undertakes to indemnify the Bank against all losses, damages, costs and expenses incurred by the Bank arising from any failure by the Principal to

pay the sums comprised in the Indebtedness or to meet its obligations to the Bank as and when they fall due, including all amounts the Bank may from time to time require to compensate it for its internal management costs and other costs and expenses incurred by it in relation to the enforcement of the Guarantee.

- 2.2 The Guarantor will pay interest on all sums due hereunder from the date that the Bank demands payment from the Guarantor until actual payment of such sums (as well after as before any judgement) at the rate of 3 per cent per annum above the Bank's base lending rate from time to time, compounded with monthly rests.
- 2.3 Continuing Securities
- 2.3.1 The Guarantee is to be a continuing security extending to the ultimate balance of the Indebtedness and will remain in full force and effect notwithstanding any intermediate payment, settlement of account, giving of notice of determination by the Guarantor or any other thing whatsoever.
- 2.3.2 The Guarantee is in addition, and without prejudice, to any other guarantee, security or right which the Bank may have in respect of the Indebtedness and the Guarantee may be enforced against the Guarantor without the Bank first having recourse to any other guarantee, security or right available to it.
- 2.4 The Guarantee constitutes the primary obligations of the Guarantor. The Bank will not be obliged to make any demand on the Principal before enforcing its rights against the Guarantor and the Guarantor's liability under the Guarantee will not be affected by anything which would not affect its liability if it were the sole principal debtor in respect of the Indebtedness.
- 2.5 The Bank shall have a lien on all property of the Guarantor held by the Bank (whether for safe custody or otherwise) in respect of the Guarantor's liabilities under the Guarantee.
- 3. Under the terms of the Bank of Scotland Guarantee (hereinafter for the purposes of this Clause 3, the "Guarantee"):
- In consideration of The Governor and Company of the Bank of Scotland (the "Bank of Scotland") granting time, credit, banking facilities or accommodation to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 3 the "Principal"), the Company as Guarantor under the Guarantee irrevocably and unconditionally guarantees the payment or discharge of and will on demand in writing pay or discharge the Obligations (and defined below) to the Bank.
- 3.2 The Guarantee and the rights of set-off set forth therein shall be a continuing security to Bank of Scotland, notwithstanding any intermediate payment to Bank of Scotland, settlement of account or other matter whatsoever, until the expiration of three months after receipt by the Bank of Scotland of written notice from the Company to determine the Guarantee and upon such expiration the liability thereunder of the Guarantor shall crystallise and the Company shall remain liable for the amount recoverable at the date of such expiration (including the continuing liability of the Company for unascertained or contingent liabilities comprised in the Obligations at such date).
- 3.3 Before enforcing the Guarantee, Bank of Scotland shall not be obliged to take any action or obtain any judgment, nor make or file any claim in the bankruptcy,

dissolution or winding up of the Principal, nor enforce any other security held by it for any of the obligations. Bank of Scotland need not advise the Company of its dealings with the Principal or of any default by the Principal of which Bank of Scotland may have knowledge.

- 3.4 On demand made by Bank of Scotland at any time the Company shall secure the performance of its obligations under the Guarantee by depositing with Bank of Scotland or another bank or corporation nominated by Bank of Scotland such a sum as Bank of Scotland shall require.
- In addition to any general lien or similar right to which Bank of Scotland may be entitled by law Bank of Scotland shall have, and may at any time and from time to time without prior notice to the Company exercise a right of set-off or retention in respect of all monies standing to the credit of the Company's account(s) with Bank of Scotland of whatsoever nature and in whatever currency against payment of all monies that may become owing from the Company to Bank of Scotland on any account(s) or in any manner whatsoever including its liability under the Guarantee and whether actually or contingently, alone or jointly with any other(s) and whether as principal or surety or cautioner and in whatever name, style or form together with interest, discount, commission and all other charges and expenses; the Bank may at any time and from time to time in such manner and to such extent as it sees fit and without prior notice to the Guarantor:-
  - (a) apply all monies standing to the credit of the Company's said account(s) to a separate suspense account(s); and/or
  - (b) apply all monies standing to the credit of the Company's said account(s) and/or suspense account(s) in reduction or extinction of all monies (or any of them in such proportions as Bank of Scotland sees fit) that be owing from the Guarantor to Bank of Scotland; and/or
  - (c) refuse payment of any cheque, bill or other document the payment of which to the debit of any Company's account would reduce the total of credit balances held on behalf of the Company below the amount owing to the Bank for the time being by the Principal whether actually or contingently; and/or
  - (d) debit any account(s) of the Company with any monies then due and payable by the Company to Bank of Scotland pursuant to the terms of the Guarantee.

In respect of the Company's liability under the Guarantee, Bank of Scotland shall have a lien on all securities or other property of the Company held by the Bank whether for safe custody or otherwise.

When the Guarantee is executed by or on behalf of two or more parties as Guarantor the liability of each of them to the Bank shall be joint and several, every agreement and undertaking on their part shall take effect accordingly and all references to the Guarantor shall (where the context admits) take effect as references to any of such parties. The Bank may release or discharge any of such parties from their obligations under the Guarantee or accept any composition from or make any arrangements with any of such parties without releasing or discharging the other or others or otherwise prejudicially or affecting the Bank's rights and remedies against the other or others.

For the purpose of this Clause 3 the following term shall have the following meaning:

"Obligations" means all monies and liabilities which shall for the time being and from time to time be due or incurred by the Principal to Bank of Scotland whatsoever whether actually or contingently and whether incurred solely, severally or jointly with any other person and whether as principal or surety or cautioner and whether on account of monies advanced, bills of exchange, promissory notes, guarantees, indemnities and including interest, discount, commission and other charges or expenses which Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Principal's account together with:-

- (i) such further sums for interest (whether or not the same shall have been compounded), commission and banking charges accruing to Bank of Scotland from the Principal before or after the date of demand or the expiration of the said notice, as the case may be, and not debited to the Principal's account at such date, (and so that as against the Company interest shall be deemed to be a liability of the Principal hereby secured notwithstanding that for any reason interest may have ceased to accrue against the Principal).
- (ii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) recoverable by Bank of Scotland from the Principal,
- (iii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) charged or incurred by Bank of Scotland in perfecting or in or about the recovery of attempted recovery of the monies due to Bank of Scotland under the Guarantee, and interest on the foregoing day by day from demand under the Guarantee until full discharge such interest to be chargeable at the rate of interest payable or deemed to be payable by the Principal (whether before or after judgment) as calculated and compounded in accordance with the practice of Bank of Scotland from time to time.



**■** Chartered Accountants

Norham House 12 New Bridge Street West Newcastle upon Tyne NE1 8AD Fax:

■ Phone: 0191 261 1063 Telex: 537192

0191 261 7744 0191 221 1090

## PRIVATE AND CONFIDENTIAL

The Directors Claremont Garments Limited 1 Stephenson Road Peterlee Co Durham SR8 5AX

13 June 1997

CF/NHT/VEE

Dear Sirs

REPORT OF THE AUDITORS TO THE DIRECTORS OF CLAREMONT GARMENTS LIMITED PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

We have examined the attached statutory declaration of the directors of Claremont Garments Limited dated 13 June 1997 in connection with the proposed financial assistance to be given by Claremont Garments Limited, in connection with the purchase of all the issued share capital of J&J Fashions Limited and its subsidiary JR Textiles Limited (now renamed Claremont Garments Limited) by Claremont Garments (Holdings) plc. We have enquired into Claremont Garments Limited's state of affairs so far as necessary for us to review the bases for the statutory declaration.

We are not aware of anything to indicate that the opinion expressed by the directors of Claremont Garments Limited in the attached 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

Ernst & Young

Registered Auditors

COMPANIES HOUSE 25/06/97

A list of partners' names is available for inspection at the above address, and at Becket House, 1 Lambeth Palace Road, London SE1 7EU, the partnership's principal place of business

Authorised by The Institute of Chartered Accountants in England and Wales to carry on investment business.

The United Kingdom firm of Ernst & Young is a member of Ernst & Young International.



## COMPANIES FORM No. 155(6)b

## **Declaration by the directors** of a holding company in relation to assistance for the acquisition of shares.



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** 

CLAREMONT GARMENTS LIMITED

To the Registrar of Companies

Name of company

For official use	Company number	_
	2429682	

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

\*Insert full name of company

tinsert name(s) and address(es) of all the directors

1				 				
₃ł/We†	See	Rider	1					
			-	 	<u> </u>	 		 
				 ·		 	 	

♦Delete as appropriate

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

‡Delete whichever is inappropriate

The business of the company is:

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(b) xthatx of a paraonx authorised condex section 3 cor 4 cof the Insurance Companies Act 1982 to serve on insurance: business xinxhextinited xingdom#

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(c) something other than the above‡

This company is [the] a holding company of* D&H Cohen Limited	
(Registered No. SCO23255)	which is
proposing to give financial assistance in connection with the acquisition of shape	ares
in [this company] [	

thexholding:company:xxtxthis:xxmpeny.]‡

Presentor's name, address and reference (if anv):

S J Berwin & Co 222 Grays Inn Road London WC1X 8HB

431/C5463.134/CF:137911.1

For official use General Section

The assistance is for the purpose of [ধেষ্কাং অভ্যন্তার্ভারতা [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
The number and class of the shares acquired or to be acquired is: 100 ordinary shares of £1	bold block lettering
each in Claremont Garments Limited	rettering
The assistance is to be given to: (note 2) Claremont Garments (Holdings) plc,	
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	•
The person who [has acquired] [willbacquire] the shares is:  Claremont Garments (Holdings) plc	tDelete as appropriate
The principal terms on which the assistance will be given are:	
See Rider 2	
The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is $\frac{Nil}{}$	
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 £	Page 2

Please do not
write in this
margin

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

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 Peterloe in the Country of Durham

the 13<sup>th</sup> day of June
One thousand nine hundred and Seven.

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

). M. gamen

### NOTES

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- (d) by way of first charge all books debts and other debts now and from time to time due or owing to the Company;
- (e) by way of a first floating charge all other the undertaking and assets of the Company whatsoever and wheresoever both present and future but so that the Company is not to be a liberty to create any mortgage or charge upon and so that no lien shall in any case or any manner arise on or affect any part of the said premises either in priority to or pari passu with the charge and further that the Company shall have no power without the consent of the Bank to part with or dispose of any part of such premises except by way of sale in the ordinary course of its business.

Any debentures mortgages or charges created after execution of the Debenture by the Company (otherwise than in favour of the Bank) shall be expressed to be subject to the Debenture. The Company shall subject to the rights of any prior mortgage deposit with the Bank and the Bank during the continuance of the Debenture shall be entitled to hold all deeds and documents of title relating to the Company's freehold and leasehold property for the time being and the Company shall on demand in writing made to the Company by the Bank at the cost of the Company execute a valid legal mortgage of any freehold and leasehold properties acquired by it after the date hereof and the fixed plant and machinery thereon to secure the payment or discharge to the Bank of the moneys and liabilities hereby secured such legal mortgage to be in such form as the Bank may require.

- 2. Under the terms of the Rothschild Guarantee:
- 2.1 In consideration of N.M. Rothschild & Sons Limited (hereinafter for the purposes of this Clause 2 the "Bank") making banking facilities or other accommodation available to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 2 the "Principal") the Company as Guarantor irrevocably and unconditionally:-
  - (a) guarantees to the Bank, as principal obligor, the due and punctual payment by the Principal of all money and liabilities, owing or incurred to the Bank by the Principal howsoever arising whether actual or contingent, solely or jointly with any other person and whether as principal or surety together with all interest accruing thereon and all costs, charges and expenses incurred by the Bank in connection therewith (the "Indebtedness") as and when they become due; and
  - (b) undertakes to indemnify the Bank against all losses, damages, costs and expenses incurred by the Bank arising from any failure by the Principal to

pay the sums comprised in the Indebtedness or to meet its obligations to the Bank as and when they fall due, including all amounts the Bank may from time to time require to compensate it for its internal management costs and other costs and expenses incurred by it in relation to the enforcement of the Guarantee.

- 2.2 The Guarantor will pay interest on all sums due hereunder from the date that the Bank demands payment from the Guarantor until actual payment of such sums (as well after as before any judgement) at the rate of 3 per cent per annum above the Bank's base lending rate from time to time, compounded with monthly rests.
- 2.3 Continuing Securities
- 2.3.1 The Guarantee is to be a continuing security extending to the ultimate balance of the Indebtedness and will remain in full force and effect notwithstanding any intermediate payment, settlement of account, giving of notice of determination by the Guarantor or any other thing whatsoever.
- 2.3.2 The Guarantee is in addition, and without prejudice, to any other guarantee, security or right which the Bank may have in respect of the Indebtedness and the Guarantee may be enforced against the Guarantor without the Bank first having recourse to any other guarantee, security or right available to it.
- 2.4 The Guarantee constitutes the primary obligations of the Guarantor. The Bank will not be obliged to make any demand on the Principal before enforcing its rights against the Guarantor and the Guarantor's liability under the Guarantee will not be affected by anything which would not affect its liability if it were the sole principal debtor in respect of the Indebtedness.
- 2.5 The Bank shall have a lien on all property of the Guarantor held by the Bank (whether for safe custody or otherwise) in respect of the Guarantor's liabilities under the Guarantee.
- 3. Under the terms of the Bank of Scotland Guarantee (hereinafter for the purposes of this Clause 3, the "Guarantee"):
- In consideration of The Governor and Company of the Bank of Scotland (the "Bank of Scotland") granting time, credit, banking facilities or accommodation to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 3 the "Principal"), the Company as Guarantor under the Guarantee irrevocably and unconditionally guarantees the payment or discharge of and will on demand in writing pay or discharge the Obligations (and defined below) to the Bank.
- 3.2 The Guarantee and the rights of set-off set forth therein shall be a continuing security to Bank of Scotland, notwithstanding any intermediate payment to Bank of Scotland, settlement of account or other matter whatsoever, until the expiration of three months after receipt by the Bank of Scotland of written notice from the Company to determine the Guarantee and upon such expiration the liability thereunder of the Guarantor shall crystallise and the Company shall remain liable for the amount recoverable at the date of such expiration (including the continuing liability of the Company for unascertained or contingent liabilities comprised in the Obligations at such date).
- 3.3 Before enforcing the Guarantee, Bank of Scotland shall not be obliged to take any action or obtain any judgment, nor make or file any claim in the bankruptcy,

dissolution or winding up of the Principal, nor enforce any other security held by it for any of the obligations. Bank of Scotland need not advise the Company of its dealings with the Principal or of any default by the Principal of which Bank of Scotland may have knowledge.

- 3.4 On demand made by Bank of Scotland at any time the Company shall secure the performance of its obligations under the Guarantee by depositing with Bank of Scotland or another bank or corporation nominated by Bank of Scotland such a sum as Bank of Scotland shall require.
- In addition to any general lien or similar right to which Bank of Scotland may be entitled by law Bank of Scotland shall have, and may at any time and from time to time without prior notice to the Company exercise a right of set-off or retention in respect of all monies standing to the credit of the Company's account(s) with Bank of Scotland of whatsoever nature and in whatever currency against payment of all monies that may become owing from the Company to Bank of Scotland on any account(s) or in any manner whatsoever including its liability under the Guarantee and whether actually or contingently, alone or jointly with any other(s) and whether as principal or surety or cautioner and in whatever name, style or form together with interest, discount, commission and all other charges and expenses; the Bank may at any time and from time to time in such manner and to such extent as it sees fit and without prior notice to the Guarantor:-
  - (a) apply all monies standing to the credit of the Company's said account(s) to a separate suspense account(s); and/or
  - (b) apply all monies standing to the credit of the Company's said account(s) and/or suspense account(s) in reduction or extinction of all monies (or any of them in such proportions as Bank of Scotland sees fit) that be owing from the Guarantor to Bank of Scotland; and/or
  - refuse payment of any cheque, bill or other document the payment of which to the debit of any Company's account would reduce the total of credit balances held on behalf of the Company below the amount owing to the Bank for the time being by the Principal whether actually or contingently; and/or
  - (d) debit any account(s) of the Company with any monies then due and payable by the Company to Bank of Scotland pursuant to the terms of the Guarantee.

In respect of the Company's liability under the Guarantee, Bank of Scotland shall have a lien on all securities or other property of the Company held by the Bank whether for safe custody or otherwise.

When the Guarantee is executed by or on behalf of two or more parties as Guarantor the liability of each of them to the Bank shall be joint and several, every agreement and undertaking on their part shall take effect accordingly and all references to the Guarantor shall (where the context admits) take effect as references to any of such parties. The Bank may release or discharge any of such parties from their obligations under the Guarantee or accept any composition from or make any arrangements with any of such parties without releasing or discharging the other or others or otherwise prejudicially or affecting the Bank's rights and remedies against the other or others.

For the purpose of this Clause 3 the following term shall have the following meaning:

"Obligations" means all monies and liabilities which shall for the time being and from time to time be due or incurred by the Principal to Bank of Scotland whatsoever whether actually or contingently and whether incurred solely, severally or jointly with any other person and whether as principal or surety or cautioner and whether on account of monies advanced, bills of exchange, promissory notes, guarantees, indemnities and including interest, discount, commission and other charges or expenses which Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Principal's account together with:-

- (i) such further sums for interest (whether or not the same shall have been compounded), commission and banking charges accruing to Bank of Scotland from the Principal before or after the date of demand or the expiration of the said notice, as the case may be, and not debited to the Principal's account at such date, (and so that as against the Company interest shall be deemed to be a liability of the Principal hereby secured notwithstanding that for any reason interest may have ceased to accrue against the Principal).
- (ii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) recoverable by Bank of Scotland from the Principal,
- (iii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) charged or incurred by Bank of Scotland in perfecting or in or about the recovery of attempted recovery of the monies due to Bank of Scotland under the Guarantee, and interest on the foregoing day by day from demand under the Guarantee until full discharge such interest to be chargeable at the rate of interest payable or deemed to be payable by the Principal (whether before or after judgment) as calculated and compounded in accordance with the practice of Bank of Scotland from time to time.



## COMPANIES FORM No. 155(6)b

## **Declaration by the directors** of a holding company in relation to assistance for the acquisition of shares.



Please do not write in this margin

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

CLAREMONT GARMENTS LIMITED

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

For official use Company number 2429682

Note Please read the notes on page 3 before

completing this form \*Insert full name

finsert name(s) and address(es) of all the directors

of company

x/Wet \_See Rider 1

Name of company

To the Registrar of Companies

Delete as appropriate

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

Delete whichever is inappropriate

The business of the company is:

insurance business xin xina xinited xingdom

(c) something other than the above \$\frac{1}{2}\$

This company is [the] [a] holding company of\* D&H Cohen Limited (Registered No. SCO23255) which is proposing to give financial assistance in connection with the acquisition of shares in [this company] [ thexholding company of this company.]‡

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

S J Berwin & Co 222 Grays Inn Road London WC1X 8HB

For official use General Section

431/C5463.134/CF:137911.1

COMPANIES HOUSE 25/06/3/

, <u>,</u>	
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 form write in this margin
	Please complete
The number and class of the shares acquired or to be acquired is: 100 ordinary shares of £1	legibly, preferably in black type, or
each in Claremont Garments Limited	bold block lettering
The assistance is to be given to: (note 2) Claremont Garments (Holdings) plc,	-
Company No. 00320013, whose registered office is 1 Stephenson Road, Peterlee,	-
County Durham 5R8 5AX	-
	· ·
The assistance will take the form of:	
(a) the execution and delivery of a debenture (the "Debenture") from D&H Cohen Limited in favour of Barclays Bank PLC for itself and as agent and trustee for NM Rothschild & Sons Limited and The Governor and Company of The Bank of Scotland;	
(b) the execution and delivery of a guarantee from D&H Cohen Limited in favour of NM Rothschild & Sons Limited (the "Rothschild Guarantee"); and	
(c) the execution and delivery of a guarantee from D&H Cohen Limited in favour of The Governor and Company of The Bank of Scotland (the "Bank of Scotland Guarantee")	
1	
The person who [has acquired] [with acquire] the shares is:  Claremont Garments (Holdings) plc	tDelete as AM.
The person who [has acquired] [willbacquire]† the shares is:  Claremont Garments (Holdings) plc	tDelete as AM, appropriate
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Claremont Garments (Holdings) plc  The principal terms on which the assistance will be given are:  See Rider 2  The amount (if any) by which the net assets of the company which is giving the assistance will be reduced	incide as // /
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Claremont Garments (Holdings) plc  The principal terms on which the assistance will be given are:  See Rider 2  The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it isNil	inciete as $2/\sqrt{3}$
Claremont Garments (Holdings) plc  The principal terms on which the assistance will be given are:  See Rider 2  The amount (if any) by which the net assets of the company which is giving the assistance will be reduced	incide as $\sqrt{3}$

3
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margin
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The date on which the assistance is to be given is	
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Please complete legibly, preferably in black type, or bold block lettering 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)

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

(b) [It viscontended to the commence the commence with the commence of the com

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.

YONY D. MILLER

Declared at _	23	Porta	1an	Close	
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the	3 +21	day of	Ti	ine	
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before me	Je	ot hory	12	hu	tte-

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on Declarants to sign below

approve H

\_\_\_\_\_

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.

# RIDER 1 TO STATUTORY DECLARATION OF CLAREMONT GARMENTS LIMITED

ANTHONY PIERRE BOBROFF of 13 Batchworth Lane, Northwood, Middlesex HA6 3AT, MICHAEL JOSEPH MCWILLIAMS of Scotland Head House, Winlaton, Blaydon, Tyne and Wear NE21 6PL, DAVID PRICE of The Dower House Woodlands Hall, Knitsley, Consett, County Durham DH8 9HA, PAUL JOHN SHELDRICK of Rose Cottage, 18 Wynyard Road, Wolviston, Cleveland TS22 5LL, NICHOLAS IAN HAMILTON of Middlemare, Mare Hill, Pulborough, West Sussex RH20 2EA, DAVID MASON of 4 Durham Road, Sedgefield, Stockton on Tees, Cleveland TS20 3DW, DAVID MCGARVEY of 3 Loudwater Ridge, Loudwater, Rickmanworth, Hertfordshire WD2 4AR, KEVIN MICHAEL WEIR of High Bank Main Street, Houghton on the Hill, Leicester, Leicestershire LE7 9GD and PETER MICHAEL WIEGAND of Tentworth House, Tentworth Iping, Midhurst, West Sussex GU29 0PH

Each of the above directors are swearing the Statutory Declarations simultaneously but separately as they are unable to be physically in the same place.

# RIDER 2 TO STATUTORY DECLARATION OF DIRECTORS OF CLAREMONT GARMENTS LIMITED IN RELATION TO ASSISTANCE FROM ITS SUBSIDIARY D&H COHEN LIMITED

### Introduction

It is a condition precedent to certain new facilities being made available under the Finance Documents (defined below) by the Secured Parties to Claremont Garments (Holdings) Plc (and certain of its subsidiaries) that D&H Cohen (hereinafter the "Company") execute the Debenture, the Rothschild Guarantee and the Bank of Scotland Guarantee as security for the Parent's obligations to the Secured Parties.

## "Finance Documents" means:

- (a) £1.3 million Facility Letter dated 4 November 1992 from The Governor and Company of The Bank of Scotland to the Parent together with a letter of addendum dated 10 April 1997 from The Governor and Company of The Bank of Scotland addressed to the Parent increasing the facilities to £13.3 million;
- (b) £9,833,333 Facility Letter from N M Rothschild & Sons Limited dated April 1997 to the Parent;
- (c) £5 million Overdraft Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent and those of its Subsidiaries named therein which include the Company; and
- (d) £25 million Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent as amended by a Letter from Barclays Bank PLC dated 11 June 1997 to the Parent.

The principal terms on which the assistance will be given by D&H Cohen Limited (hereinafter the "Company") are:

- 1 Under the terms of the Debenture:
- 1.1 The Company will on demand in writing made to the Company pay or discharge to Barclays Bank PLC (hereinafter for the purposes of this Clause 1 called "the Bank") for itself and as agent and trustee to N M Rothschild & Sons Limited and Bank of Scotland all moneys and liabilities which shall for the time being (and whether on or at any time after such demand) be due owing or incurred to the Bank N M Rothschild & Sons Limited or Bank of Scotland by the Company whether actually or contingently and whether solely or jointly with any other person and whether as principal or surety and including interest discount commission or other lawful charges and expenses which the Bank, N M Rothschild & Sons Limited or Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Company's account and so that interest shall be computed and compounded according to the usual mode of the Bank, N M Rothschild & Sons Limited or Bank of Scotland as well as after as before any demand made or judgment obtained under the Debenture.
- 1.2 The Company with full title guarantee charges with the payment or discharge of all moneys and liabilities covenanted to be paid or discharged by the Company:-
  - (a) by way of legal mortgage all the freehold and leasehold property of the Company the title to which is registered at H M Land Registry and which is

described in the schedule to the Debenture together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;

- (b) by way of legal mortgage all other freehold and leasehold property of the Company now vested in it (whether or not registered at H M Land Registry) together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- by way of first fixed charge all future freehold and leasehold property of the Company together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and all the goodwill and uncalled capital for the time being of the Company;
- (d) by way of first charge all books debts and other debts now and from time to time due or owing to the Company;
- (e) by way of a first floating charge all other the undertaking and assets of the Company whatsoever and wheresoever both present and future but so that the Company is not to be a liberty to create any mortgage or charge upon and so that no lien shall in any case or any manner arise on or affect any part of the said premises either in priority to or pari passu with the charge and further that the Company shall have no power without the consent of the Bank to part with or dispose of any part of such premises except by way of sale in the ordinary course of its business.

Any debentures mortgages or charges created after execution of the Debenture by the Company (otherwise than in favour of the Bank) shall be expressed to be subject to the Debenture. The Company shall subject to the rights of any prior mortgage deposit with the Bank and the Bank during the continuance of the Debenture shall be entitled to hold all deeds and documents of title relating to the Company's freehold and leasehold property for the time being and the Company shall on demand in writing made to the Company by the Bank at the cost of the Company execute a valid legal mortgage of any freehold and leasehold properties acquired by it after the date hereof and the fixed plant and machinery thereon to secure the payment or discharge to the Bank of the moneys and liabilities hereby secured such legal mortgage to be in such form as the Bank may require.

- 2. Under the terms of the Rothschild Guarantee:
- 2.1 In consideration of N.M. Rothschild & Sons Limited (hereinafter for the purposes of this Clause 2 the "Bank") making banking facilities or other accommodation available to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 2 the "Principal") the Company as Guarantor irrevocably and unconditionally:-
  - (a) guarantees to the Bank, as principal obligor, the due and punctual payment by the Principal of all money and liabilities, owing or incurred to the Bank by the Principal howsoever arising whether actual or contingent, solely or jointly with any other person and whether as principal or surety together with all interest accruing thereon and all costs, charges and expenses incurred by the Bank in connection therewith (the "Indebtedness") as and when they become due; and
  - (b) undertakes to indemnify the Bank against all losses, damages, costs and expenses incurred by the Bank arising from any failure by the Principal to

pay the sums comprised in the Indebtedness or to meet its obligations to the Bank as and when they fall due, including all amounts the Bank may from time to time require to compensate it for its internal management costs and other costs and expenses incurred by it in relation to the enforcement of the Guarantee.

- 2.2 The Guarantor will pay interest on all sums due hereunder from the date that the Bank demands payment from the Guarantor until actual payment of such sums (as well after as before any judgement) at the rate of 3 per cent per annum above the Bank's base lending rate from time to time, compounded with monthly rests.
- 2.3 Continuing Securities
- 2.3.1 The Guarantee is to be a continuing security extending to the ultimate balance of the Indebtedness and will remain in full force and effect notwithstanding any intermediate payment, settlement of account, giving of notice of determination by the Guarantor or any other thing whatsoever.
- 2.3.2 The Guarantee is in addition, and without prejudice, to any other guarantee, security or right which the Bank may have in respect of the Indebtedness and the Guarantee may be enforced against the Guarantor without the Bank first having recourse to any other guarantee, security or right available to it.
- 2.4 The Guarantee constitutes the primary obligations of the Guarantor. The Bank will not be obliged to make any demand on the Principal before enforcing its rights against the Guarantor and the Guarantor's liability under the Guarantee will not be affected by anything which would not affect its liability if it were the sole principal debtor in respect of the Indebtedness.
- 2.5 The Bank shall have a lien on all property of the Guarantor held by the Bank (whether for safe custody or otherwise) in respect of the Guarantor's liabilities under the Guarantee.
- 3. Under the terms of the Bank of Scotland Guarantee (hereinafter for the purposes of this Clause 3, the "Guarantee"):
- In consideration of The Governor and Company of the Bank of Scotland (the "Bank of Scotland") granting time, credit, banking facilities or accommodation to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 3 the "Principal"), the Company as Guarantor under the Guarantee irrevocably and unconditionally guarantees the payment or discharge of and will on demand in writing pay or discharge the Obligations (and defined below) to the Bank.
- 3.2 The Guarantee and the rights of set-off set forth therein shall be a continuing security to Bank of Scotland, notwithstanding any intermediate payment to Bank of Scotland, settlement of account or other matter whatsoever, until the expiration of three months after receipt by the Bank of Scotland of written notice from the Company to determine the Guarantee and upon such expiration the liability thereunder of the Guarantor shall crystallise and the Company shall remain liable for the amount recoverable at the date of such expiration (including the continuing liability of the Company for unascertained or contingent liabilities comprised in the Obligations at such date).
- 3.3 Before enforcing the Guarantee, Bank of Scotland shall not be obliged to take any action or obtain any judgment, nor make or file any claim in the bankruptcy,

dissolution or winding up of the Principal, nor enforce any other security held by it for any of the obligations. Bank of Scotland need not advise the Company of its dealings with the Principal or of any default by the Principal of which Bank of Scotland may have knowledge.

- 3.4 On demand made by Bank of Scotland at any time the Company shall secure the performance of its obligations under the Guarantee by depositing with Bank of Scotland or another bank or corporation nominated by Bank of Scotland such a sum as Bank of Scotland shall require.
- In addition to any general lien or similar right to which Bank of Scotland may be entitled by law Bank of Scotland shall have, and may at any time and from time to time without prior notice to the Company exercise a right of set-off or retention in respect of all monies standing to the credit of the Company's account(s) with Bank of Scotland of whatsoever nature and in whatever currency against payment of all monies that may become owing from the Company to Bank of Scotland on any account(s) or in any manner whatsoever including its liability under the Guarantee and whether actually or contingently, alone or jointly with any other(s) and whether as principal or surety or cautioner and in whatever name, style or form together with interest, discount, commission and all other charges and expenses; the Bank may at any time and from time to time in such manner and to such extent as it sees fit and without prior notice to the Guarantor:-
  - (a) apply all monies standing to the credit of the Company's said account(s) to a separate suspense account(s); and/or
  - (b) apply all monies standing to the credit of the Company's said account(s) and/or suspense account(s) in reduction or extinction of all monies (or any of them in such proportions as Bank of Scotland sees fit) that be owing from the Guarantor to Bank of Scotland; and/or
  - (c) refuse payment of any cheque, bill or other document the payment of which to the debit of any Company's account would reduce the total of credit balances held on behalf of the Company below the amount owing to the Bank for the time being by the Principal whether actually or contingently; and/or
  - (d) debit any account(s) of the Company with any monies then due and payable by the Company to Bank of Scotland pursuant to the terms of the Guarantee.

In respect of the Company's liability under the Guarantee, Bank of Scotland shall have a lien on all securities or other property of the Company held by the Bank whether for safe custody or otherwise.

When the Guarantee is executed by or on behalf of two or more parties as Guarantor the liability of each of them to the Bank shall be joint and several, every agreement and undertaking on their part shall take effect accordingly and all references to the Guarantor shall (where the context admits) take effect as references to any of such parties. The Bank may release or discharge any of such parties from their obligations under the Guarantee or accept any composition from or make any arrangements with any of such parties without releasing or discharging the other or others or otherwise prejudicially or affecting the Bank's rights and remedies against the other or others.

For the purpose of this Clause 3 the following term shall have the following meaning:

"Obligations" means all monies and liabilities which shall for the time being and from time to time be due or incurred by the Principal to Bank of Scotland whatsoever whether actually or contingently and whether incurred solely, severally or jointly with any other person and whether as principal or surety or cautioner and whether on account of monies advanced, bills of exchange, promissory notes, guarantees, indemnities and including interest, discount, commission and other charges or expenses which Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Principal's account together with:

- (i) such further sums for interest (whether or not the same shall have been compounded), commission and banking charges accruing to Bank of Scotland from the Principal before or after the date of demand or the expiration of the said notice, as the case may be, and not debited to the Principal's account at such date, (and so that as against the Company interest shall be deemed to be a liability of the Principal hereby secured notwithstanding that for any reason interest may have ceased to accrue against the Principal),
- (ii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) recoverable by Bank of Scotland from the Principal,
- (iii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) charged or incurred by Bank of Scotland in perfecting or in or about the recovery of attempted recovery of the monies due to Bank of Scotland under the Guarantee, and interest on the foregoing day by day from demand under the Guarantee until full discharge such interest to be chargeable at the rate of interest payable or deemed to be payable by the Principal (whether before or after judgment) as calculated and compounded in accordance with the practice of Bank of Scotland from time to time.



**COMPANIES FORM No. 155(6)b** 

To the Registrar of Companies

x/Wet See Rider 1

Name

## **Declaration by the directors** of a holding company in relation to assistance for the acquisition of shares.



Please do not write in this margin

Note

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

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

o the Registrar of Companies	For official use	Company number	
		2429682	
ame of company			
* CLAREMONT GARMENTS LIMITED			

For official use

Please read the notes on page 3 before completing this form

Insert full name of company

finsert name(s) and address(es) of all the directors

§Delete as appropriate 674

[thexselvexsizecodor] [ail the directors] of the above company (hereinafter called 'this company') do solemnly and sincerely declare that:

‡Delete whichever is inappropriate

The business of the company is:

‡£2KelixxaAxgnised.sertixlex.gniseaex.sertixrixtitixxselfxcitxitexiclescasit.ks/med.sertixlex.garayaxax.gniseaex.j notwaterx extrementation and the second and se transperior testing self-raixes enieculas son sauceni

(c) something other than the above ‡

This company is [the] [m] holding company of* D&H Cohen Limited	
(Registered No. SCO23255)	which is
proposing to give financial assistance in connection with the acquisition of shares	
in [this company] [	
the sholding xompany x	‡.waqmoxsidkt

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

S J Berwin & Co 222 Grays Inn Road London WC1X 8HB

431/C5463.134/CF:137911.1

For official use General Section

The assistance is for the purpose of [that assistant] [reducing or discharging a liability incurred for the purpose of that acquisition].† (note 1)  The number and class of the shares acquired or to be acquired is: 100 ordinary shares of £1 each in Claremont Garments Limited	Please do not write in this margin  Please complete legibly, preferably in black type, or bold block lettering
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The assistance is to be given to: (note 2) Claremont Garments (Holdings) plc,  Company No. 00320013, whose registered office is 1 Stephenson Road, Peterlee,	
County Durham 5R8 5AX	
The assistance will take the form of:	
(a) the execution and delivery of a debenture (the "Debenture") from D&H Cohen Limited in favour of Barclays Bank PLC for itself and as agent and trustee for NM Rothschild & Sons Limited and The Governor and Company of The Bank of Scotland;	
(b) the execution and delivery of a guarantee from D&H Cohen Limited in favour of NM Rothschild & Sons Limited (the "Rothschild Guarantee"); and	
(c) the execution and delivery of a guarantee from D&H Cohen Limited in favour of The Governor and Company of The Bank of Scotland (the "Bank of Scotland Guarantee")	
to the second se	
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The principal terms on which the assistance will be given are:  See Rider 2  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 principal terms on which the assistance will be given are:  See Rider 2  The amount (if any) by which the net assets of the company which is giving the assistance will be reduced	

Please do not write withis	The date on which the assistance is to be given is	19
Piease complete legibly, preferably in black type, or bold block lettering	I/We have formed the opinion, as regards the company's initial situation immediation which the assistance is proposed to be given, that there will be no ground or found to be unable to pay its debts. (note 3)	
*Delete either (a) or (b) as appropriate	<ul> <li>(a) [I/We have formed the opinion that the company will be able to pay its debts the year immediately following that date]* (note 3)</li> <li>(b) [Ikvisxintendedxtaxoommenoexthexwindingsupxafxthexxompanyxwithixxi2xmanths: havexformedxthexopinionxthatxthexcompanyxwithiaxablextaxpayxitxxdebtsxinfully commencementxofxthexwindingsupx]* (note 3)</li> </ul>	xofxthatxdete;xandxk/We
	And I/we make this solemn declaration conscientiously believing the same to be to provisions of the Statutory Declarations Act 1835.  Declared at 23 Portman Close Declarants to Landan, W. I.  the	

ANTHONY D. PALLER

## **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.

a Commissioner for Oaths.

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

- 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.

# RIDER 1 TO STATUTORY DECLARATION OF CLAREMONT GARMENTS LIMITED

ANTHONY PIERRE BOBROFF of 13 Batchworth Lane, Northwood, Middlesex HA6 3AT, MICHAEL JOSEPH MCWILLIAMS of Scotland Head House, Winlaton, Blaydon, Tyne and Wear NE21 6PL, DAVID PRICE of The Dower House Woodlands Hall, Knitsley, Consett, County Durham DH8 9HA, PAUL JOHN SHELDRICK of Rose Cottage, 18 Wynyard Road, Wolviston, Cleveland TS22 5LL, NICHOLAS IAN HAMILTON of Middlemare, Mare Hill, Pulborough, West Sussex RH20 2EA, DAVID MASON of 4 Durham Road, Sedgefield, Stockton on Tees, Cleveland TS20 3DW, DAVID MCGARVEY of 3 Loudwater Ridge, Loudwater, Rickmanworth, Hertfordshire WD2 4AR, KEVIN MICHAEL WEIR of High Bank Main Street, Houghton on the Hill, Leicester, Leicestershire LE7 9GD and PETER MICHAEL WIEGAND of Tentworth House, Tentworth Iping, Midhurst, West Sussex GU29 0PH

Each of the above directors are swearing the Statutory Declarations simultaneously but separately as they are unable to be physically in the same place.

# RIDER 2 TO STATUTORY DECLARATION OF DIRECTORS OF CLAREMONT GARMENTS LIMITED IN RELATION TO ASSISTANCE FROM ITS SUBSIDIARY D&H COHEN LIMITED

#### Introduction

It is a condition precedent to certain new facilities being made available under the Finance Documents (defined below) by the Secured Parties to Claremont Garments (Holdings) Plc (and certain of its subsidiaries) that D&H Cohen (hereinafter the "Company") execute the Debenture, the Rothschild Guarantee and the Bank of Scotland Guarantee as security for the Parent's obligations to the Secured Parties.

## "Finance Documents" means:

- (a) £1.3 million Facility Letter dated 4 November 1992 from The Governor and Company of The Bank of Scotland to the Parent together with a letter of addendum dated 10 April 1997 from The Governor and Company of The Bank of Scotland addressed to the Parent increasing the facilities to £13.3 million;
- (b) £9,833,333 Facility Letter from N M Rothschild & Sons Limited dated April 1997 to the Parent;
- (c) £5 million Overdraft Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent and those of its Subsidiaries named therein which include the Company; and
- (d) £25 million Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent as amended by a Letter from Barclays Bank PLC dated 11 June 1997 to the Parent.

The principal terms on which the assistance will be given by D&H Cohen Limited (hereinafter the "Company") are:

- 1 Under the terms of the Debenture:
- 1.1 The Company will on demand in writing made to the Company pay or discharge to Barclays Bank PLC (hereinafter for the purposes of this Clause 1 called "the Bank") for itself and as agent and trustee to N M Rothschild & Sons Limited and Bank of Scotland all moneys and liabilities which shall for the time being (and whether on or at any time after such demand) be due owing or incurred to the Bank N M Rothschild & Sons Limited or Bank of Scotland by the Company whether actually or contingently and whether solely or jointly with any other person and whether as principal or surety and including interest discount commission or other lawful charges and expenses which the Bank, N M Rothschild & Sons Limited or Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Company's account and so that interest shall be computed and compounded according to the usual mode of the Bank, N M Rothschild & Sons Limited or Bank of Scotland as well as after as before any demand made or judgment obtained under the Debenture.
- 1.2 The Company with full title guarantee charges with the payment or discharge of all moneys and liabilities covenanted to be paid or discharged by the Company:-
  - (a) by way of legal mortgage all the freehold and leasehold property of the Company the title to which is registered at H M Land Registry and which is

described in the schedule to the Debenture together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;

- (b) by way of legal mortgage all other freehold and leasehold property of the Company now vested in it (whether or not registered at H M Land Registry) together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- by way of first fixed charge all future freehold and leasehold property of the Company together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and all the goodwill and uncalled capital for the time being of the Company;
- (d) by way of first charge all books debts and other debts now and from time to time due or owing to the Company;
- (e) by way of a first floating charge all other the undertaking and assets of the Company whatsoever and wheresoever both present and future but so that the Company is not to be a liberty to create any mortgage or charge upon and so that no lien shall in any case or any manner arise on or affect any part of the said premises either in priority to or pari passu with the charge and further that the Company shall have no power without the consent of the Bank to part with or dispose of any part of such premises except by way of sale in the ordinary course of its business.

Any debentures mortgages or charges created after execution of the Debenture by the Company (otherwise than in favour of the Bank) shall be expressed to be subject to the Debenture. The Company shall subject to the rights of any prior mortgage deposit with the Bank and the Bank during the continuance of the Debenture shall be entitled to hold all deeds and documents of title relating to the Company's freehold and leasehold property for the time being and the Company shall on demand in writing made to the Company by the Bank at the cost of the Company execute a valid legal mortgage of any freehold and leasehold properties acquired by it after the date hereof and the fixed plant and machinery thereon to secure the payment or discharge to the Bank of the moneys and liabilities hereby secured such legal mortgage to be in such form as the Bank may require.

- 2. Under the terms of the Rothschild Guarantee:
- 2.1 In consideration of N.M. Rothschild & Sons Limited (hereinafter for the purposes of this Clause 2 the "Bank") making banking facilities or other accommodation available to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 2 the "Principal") the Company as Guarantor irrevocably and unconditionally:-
  - (a) guarantees to the Bank, as principal obligor, the due and punctual payment by the Principal of all money and liabilities, owing or incurred to the Bank by the Principal howsoever arising whether actual or contingent, solely or jointly with any other person and whether as principal or surety together with all interest accruing thereon and all costs, charges and expenses incurred by the Bank in connection therewith (the "Indebtedness") as and when they become due; and
  - (b) undertakes to indemnify the Bank against all losses, damages, costs and expenses incurred by the Bank arising from any failure by the Principal to

pay the sums comprised in the Indebtedness or to meet its obligations to the Bank as and when they fall due, including all amounts the Bank may from time to time require to compensate it for its internal management costs and other costs and expenses incurred by it in relation to the enforcement of the Guarantee.

- 2.2 The Guarantor will pay interest on all sums due hereunder from the date that the Bank demands payment from the Guarantor until actual payment of such sums (as well after as before any judgement) at the rate of 3 per cent per annum above the Bank's base lending rate from time to time, compounded with monthly rests.
- 2.3 Continuing Securities
- 2.3.1 The Guarantee is to be a continuing security extending to the ultimate balance of the Indebtedness and will remain in full force and effect notwithstanding any intermediate payment, settlement of account, giving of notice of determination by the Guarantor or any other thing whatsoever.
- 2.3.2 The Guarantee is in addition, and without prejudice, to any other guarantee, security or right which the Bank may have in respect of the Indebtedness and the Guarantee may be enforced against the Guarantor without the Bank first having recourse to any other guarantee, security or right available to it.
- 2.4 The Guarantee constitutes the primary obligations of the Guarantor. The Bank will not be obliged to make any demand on the Principal before enforcing its rights against the Guarantor and the Guarantor's liability under the Guarantee will not be affected by anything which would not affect its liability if it were the sole principal debtor in respect of the Indebtedness.
- 2.5 The Bank shall have a lien on all property of the Guarantor held by the Bank (whether for safe custody or otherwise) in respect of the Guarantor's liabilities under the Guarantee.
- 3. Under the terms of the Bank of Scotland Guarantee (hereinafter for the purposes of this Clause 3, the "Guarantee"):
- In consideration of The Governor and Company of the Bank of Scotland (the "Bank of Scotland") granting time, credit, banking facilities or accommodation to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 3 the "Principal"), the Company as Guarantor under the Guarantee irrevocably and unconditionally guarantees the payment or discharge of and will on demand in writing pay or discharge the Obligations (and defined below) to the Bank.
- 3.2 The Guarantee and the rights of set-off set forth therein shall be a continuing security to Bank of Scotland, notwithstanding any intermediate payment to Bank of Scotland, settlement of account or other matter whatsoever, until the expiration of three months after receipt by the Bank of Scotland of written notice from the Company to determine the Guarantee and upon such expiration the liability thereunder of the Guarantor shall crystallise and the Company shall remain liable for the amount recoverable at the date of such expiration (including the continuing liability of the Company for unascertained or contingent liabilities comprised in the Obligations at such date).
- 3.3 Before enforcing the Guarantee, Bank of Scotland shall not be obliged to take any action or obtain any judgment, nor make or file any claim in the bankruptcy,

dissolution or winding up of the Principal, nor enforce any other security held by it for any of the obligations. Bank of Scotland need not advise the Company of its dealings with the Principal or of any default by the Principal of which Bank of Scotland may have knowledge.

- 3.4 On demand made by Bank of Scotland at any time the Company shall secure the performance of its obligations under the Guarantee by depositing with Bank of Scotland or another bank or corporation nominated by Bank of Scotland such a sum as Bank of Scotland shall require.
- In addition to any general lien or similar right to which Bank of Scotland may be entitled by law Bank of Scotland shall have, and may at any time and from time to time without prior notice to the Company exercise a right of set-off or retention in respect of all monies standing to the credit of the Company's account(s) with Bank of Scotland of whatsoever nature and in whatever currency against payment of all monies that may become owing from the Company to Bank of Scotland on any account(s) or in any manner whatsoever including its liability under the Guarantee and whether actually or contingently, alone or jointly with any other(s) and whether as principal or surety or cautioner and in whatever name, style or form together with interest, discount, commission and all other charges and expenses; the Bank may at any time and from time to time in such manner and to such extent as it sees fit and without prior notice to the Guarantor:-
  - (a) apply all monies standing to the credit of the Company's said account(s) to a separate suspense account(s); and/or
  - (b) apply all monies standing to the credit of the Company's said account(s) and/or suspense account(s) in reduction or extinction of all monies (or any of them in such proportions as Bank of Scotland sees fit) that be owing from the Guarantor to Bank of Scotland; and/or
  - (c) refuse payment of any cheque, bill or other document the payment of which to the debit of any Company's account would reduce the total of credit balances held on behalf of the Company below the amount owing to the Bank for the time being by the Principal whether actually or contingently; and/or
  - (d) debit any account(s) of the Company with any monies then due and payable by the Company to Bank of Scotland pursuant to the terms of the Guarantee.

In respect of the Company's liability under the Guarantee, Bank of Scotland shall have a lien on all securities or other property of the Company held by the Bank whether for safe custody or otherwise.

When the Guarantee is executed by or on behalf of two or more parties as Guarantor the liability of each of them to the Bank shall be joint and several, every agreement and undertaking on their part shall take effect accordingly and all references to the Guarantor shall (where the context admits) take effect as references to any of such parties. The Bank may release or discharge any of such parties from their obligations under the Guarantee or accept any composition from or make any arrangements with any of such parties without releasing or discharging the other or others or otherwise prejudicially or affecting the Bank's rights and remedies against the other or others.

For the purpose of this Clause 3 the following term shall have the following meaning:

"Obligations" means all monies and liabilities which shall for the time being and from time to time be due or incurred by the Principal to Bank of Scotland whatsoever whether actually or contingently and whether incurred solely, severally or jointly with any other person and whether as principal or surety or cautioner and whether on account of monies advanced, bills of exchange, promissory notes, guarantees, indemnities and including interest, discount, commission and other charges or expenses which Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Principal's account together with:

- (i) such further sums for interest (whether or not the same shall have been compounded), commission and banking charges accruing to Bank of Scotland from the Principal before or after the date of demand or the expiration of the said notice, as the case may be, and not debited to the Principal's account at such date, (and so that as against the Company interest shall be deemed to be a liability of the Principal hereby secured notwithstanding that for any reason interest may have ceased to accrue against the Principal),
- (ii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) recoverable by Bank of Scotland from the Principal,
- (iii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) charged or incurred by Bank of Scotland in perfecting or in or about the recovery of attempted recovery of the monies due to Bank of Scotland under the Guarantee, and interest on the foregoing day by day from demand under the Guarantee until full discharge such interest to be chargeable at the rate of interest payable or deemed to be payable by the Principal (whether before or after judgment) as calculated and compounded in accordance with the practice of Bank of Scotland from time to time.



COMPANIES FORM No. 155(6)b

# **Declaration by the directors** of a holding company in relation to assistance for the acquisition of shares.



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

CLAREMONT GARMENTS LIMITED

Name of company

Wet \_See Rider 1

For official use Company number 2429682

Note Please read the notes

on page 3 before completing this form

of company finsert name(s) and

\*Insert full name

address(es) of all the directors

§Delete as appropriate

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

‡Delete whichever is inappropriate

The business of the company is:

(a) xthat x0fxax[reasonised::benk] x licensed::institution(&::xvithin::xhe::xxxaxxing::xxfxthe::Benking::A&txi0x9‡ no wasser at 288 kt 1944 septemple agreement sept the the the transfer agreement september agreement septe transprist testial test sixee criexid socresuerii

(c) something other than the above ‡

AM

This company is [the] [a] holding company of\* D&H Cohen Limited (Registered No. SC023255) which is proposing to give financial assistance in connection with the acquisition of shares in [this company] [ thexholding company of this company.]‡

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

S J Berwin & Co 222 Grays Inn Road London WC1X 8HB

431/C5463.134/CF:137911.1

For official use General Section

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
The number and class of the shares acquired or to be acquired is: 100 ordinary shares of £1 each in Claremont Garments Limited	Please complete legibly, preferab in black type, or bold block lettering
The assistance is to be given to: (note 2) Claremont Garments (Holdings) plc,	
Company No. 00320013, whose registered office is 1 Stephenson Road, Peterlee, County Durham 5R8 5AX	
Souncy Durnam Sko SAX	
The assistance will take the form of:	
(a) the execution and delivery of a debenture (the "Debenture") from D&H Cohen Limited in favour of Barclays Bank PLC for itself and as agent and trustee for NM Rothschild & Sons Limited and The Governor and Company of The Bank of Scotland;	
(b) the execution and delivery of a guarantee from D&H Cohen Limited in favour of NM Rothschild & Sons Limited (the "Rothschild Guarantee"); and	
(c) the execution and delivery of a guarantee from D&H Cohen Limited in favour of The Governor and Company of The Bank of Scotland (the "Bank of Scotland Guarantee")	
AM	
Thè person who [has acquired] [withacquire] the shares is:  Claremont Garments (Holdings) plc	tDelete as appropriate
The principal terms on which the assistance will be given are:	
See Rider 2	
The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is $\_{ t Nil}$	
The amount of cash to be transferred to the person assisted is £ Nil	

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The date on which the assistance is to be given is _
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133		

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

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

(b) [Its is sintended; its xoomnemoe; the xwinding-sepx of; the company; swithin xi2 xneeths xof; that xhete; cand; xi44e have showned; the xopinion; that xhe xoompany; will be xable; to xpeyx its xhebts; in full xwithin xi2 xneeths xof; the commencement xof the xwinding-sep.]\* (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.

BIONER FOR OATHS

Decla	ared at _	<u>23</u>	Porty	nan	Close,	
	Lond	<u>en</u>	, W.1.			
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befor	e me	_/)	Mony	D. 1	mme_	

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

Declarants to sign below

**NOTES** 

 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.

a Commissioner for Oaths.

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.

# RIDER 1 TO STATUTORY DECLARATION OF CLAREMONT GARMENTS LIMITED

ANTHONY PIERRE BOBROFF of 13 Batchworth Lane, Northwood, Middlesex HA6 3AT, MICHAEL JOSEPH MCWILLIAMS of Scotland Head House, Winlaton, Blaydon, Tyne and Wear NE21 6PL, DAVID PRICE of The Dower House Woodlands Hall, Knitsley, Consett, County Durham DH8 9HA, PAUL JOHN SHELDRICK of Rose Cottage, 18 Wynyard Road, Wolviston, Cleveland TS22 5LL, NICHOLAS IAN HAMILTON of Middlemare, Mare Hill, Pulborough, West Sussex RH20 2EA, DAVID MASON of 4 Durham Road, Sedgefield, Stockton on Tees, Cleveland TS20 3DW, DAVID MCGARVEY of 3 Loudwater Ridge, Loudwater, Rickmanworth, Hertfordshire WD2 4AR, KEVIN MICHAEL WEIR of High Bank Main Street, Houghton on the Hill, Leicester, Leicestershire LE7 9GD and PETER MICHAEL WIEGAND of Tentworth House, Tentworth Iping, Midhurst, West Sussex GU29 0PH

Each of the above directors are swearing the Statutory Declarations simultaneously but separately as they are unable to be physically in the same place.

# RIDER 2 TO STATUTORY DECLARATION OF DIRECTORS OF CLAREMONT GARMENTS LIMITED IN RELATION TO ASSISTANCE FROM ITS SUBSIDIARY D&H COHEN LIMITED

### Introduction

It is a condition precedent to certain new facilities being made available under the Finance Documents (defined below) by the Secured Parties to Claremont Garments (Holdings) Plc (and certain of its subsidiaries) that D&H Cohen (hereinafter the "Company") execute the Debenture, the Rothschild Guarantee and the Bank of Scotland Guarantee as security for the Parent's obligations to the Secured Parties.

## "Finance Documents" means:

- (a) £1.3 million Facility Letter dated 4 November 1992 from The Governor and Company of The Bank of Scotland to the Parent together with a letter of addendum dated 10 April 1997 from The Governor and Company of The Bank of Scotland addressed to the Parent increasing the facilities to £13.3 million;
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- (d) £25 million Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent as amended by a Letter from Barclays Bank PLC dated 11 June 1997 to the Parent.

The principal terms on which the assistance will be given by D&H Cohen Limited (hereinafter the "Company") are:

- 1 Under the terms of the Debenture:
- 1.1 The Company will on demand in writing made to the Company pay or discharge to Barclays Bank PLC (hereinafter for the purposes of this Clause 1 called "the Bank") for itself and as agent and trustee to N M Rothschild & Sons Limited and Bank of Scotland all moneys and liabilities which shall for the time being (and whether on or at any time after such demand) be due owing or incurred to the Bank N M Rothschild & Sons Limited or Bank of Scotland by the Company whether actually or contingently and whether solely or jointly with any other person and whether as principal or surety and including interest discount commission or other lawful charges and expenses which the Bank, N M Rothschild & Sons Limited or Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Company's account and so that interest shall be computed and compounded according to the usual mode of the Bank, N M Rothschild & Sons Limited or Bank of Scotland as well as after as before any demand made or judgment obtained under the Debenture.
- 1.2 The Company with full title guarantee charges with the payment or discharge of all moneys and liabilities covenanted to be paid or discharged by the Company:-
  - (a) by way of legal mortgage all the freehold and leasehold property of the Company the title to which is registered at H M Land Registry and which is

described in the schedule to the Debenture together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;

- (b) by way of legal mortgage all other freehold and leasehold property of the Company now vested in it (whether or not registered at H M Land Registry) together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- (c) by way of first fixed charge all future freehold and leasehold property of the Company together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and all the goodwill and uncalled capital for the time being of the Company;
- (d) by way of first charge all books debts and other debts now and from time to time due or owing to the Company;
- (e) by way of a first floating charge all other the undertaking and assets of the Company whatsoever and wheresoever both present and future but so that the Company is not to be a liberty to create any mortgage or charge upon and so that no lien shall in any case or any manner arise on or affect any part of the said premises either in priority to or pari passu with the charge and further that the Company shall have no power without the consent of the Bank to part with or dispose of any part of such premises except by way of sale in the ordinary course of its business.

Any debentures mortgages or charges created after execution of the Debenture by the Company (otherwise than in favour of the Bank) shall be expressed to be subject to the Debenture. The Company shall subject to the rights of any prior mortgage deposit with the Bank and the Bank during the continuance of the Debenture shall be entitled to hold all deeds and documents of title relating to the Company's freehold and leasehold property for the time being and the Company shall on demand in writing made to the Company by the Bank at the cost of the Company execute a valid legal mortgage of any freehold and leasehold properties acquired by it after the date hereof and the fixed plant and machinery thereon to secure the payment or discharge to the Bank of the moneys and liabilities hereby secured such legal mortgage to be in such form as the Bank may require.

- 2. Under the terms of the Rothschild Guarantee:
- 2.1 In consideration of N.M. Rothschild & Sons Limited (hereinafter for the purposes of this Clause 2 the "Bank") making banking facilities or other accommodation available to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 2 the "Principal") the Company as Guarantor irrevocably and unconditionally:-
  - (a) guarantees to the Bank, as principal obligor, the due and punctual payment by the Principal of all money and liabilities, owing or incurred to the Bank by the Principal howsoever arising whether actual or contingent, solely or jointly with any other person and whether as principal or surety together with all interest accruing thereon and all costs, charges and expenses incurred by the Bank in connection therewith (the "Indebtedness") as and when they become due; and
  - (b) undertakes to indemnify the Bank against all losses, damages, costs and expenses incurred by the Bank arising from any failure by the Principal to

pay the sums comprised in the Indebtedness or to meet its obligations to the Bank as and when they fall due, including all amounts the Bank may from time to time require to compensate it for its internal management costs and other costs and expenses incurred by it in relation to the enforcement of the Guarantee.

- 2.2 The Guarantor will pay interest on all sums due hereunder from the date that the Bank demands payment from the Guarantor until actual payment of such sums (as well after as before any judgement) at the rate of 3 per cent per annum above the Bank's base lending rate from time to time, compounded with monthly rests.
- 2.3 Continuing Securities
- 2.3.1 The Guarantee is to be a continuing security extending to the ultimate balance of the Indebtedness and will remain in full force and effect notwithstanding any intermediate payment, settlement of account, giving of notice of determination by the Guarantor or any other thing whatsoever.
- 2.3.2 The Guarantee is in addition, and without prejudice, to any other guarantee, security or right which the Bank may have in respect of the Indebtedness and the Guarantee may be enforced against the Guarantor without the Bank first having recourse to any other guarantee, security or right available to it.
- 2.4 The Guarantee constitutes the primary obligations of the Guarantor. The Bank will not be obliged to make any demand on the Principal before enforcing its rights against the Guarantor and the Guarantor's liability under the Guarantee will not be affected by anything which would not affect its liability if it were the sole principal debtor in respect of the Indebtedness.
- 2.5 The Bank shall have a lien on all property of the Guarantor held by the Bank (whether for safe custody or otherwise) in respect of the Guarantor's liabilities under the Guarantee.
- 3. Under the terms of the Bank of Scotland Guarantee (hereinafter for the purposes of this Clause 3, the "Guarantee"):
- In consideration of The Governor and Company of the Bank of Scotland (the "Bank of Scotland") granting time, credit, banking facilities or accommodation to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 3 the "Principal"), the Company as Guarantor under the Guarantee irrevocably and unconditionally guarantees the payment or discharge of and will on demand in writing pay or discharge the Obligations (and defined below) to the Bank.
- 3.2 The Guarantee and the rights of set-off set forth therein shall be a continuing security to Bank of Scotland, notwithstanding any intermediate payment to Bank of Scotland, settlement of account or other matter whatsoever, until the expiration of three months after receipt by the Bank of Scotland of written notice from the Company to determine the Guarantee and upon such expiration the liability thereunder of the Guarantor shall crystallise and the Company shall remain liable for the amount recoverable at the date of such expiration (including the continuing liability of the Company for unascertained or contingent liabilities comprised in the Obligations at such date).
- 3.3 Before enforcing the Guarantee, Bank of Scotland shall not be obliged to take any action or obtain any judgment, nor make or file any claim in the bankruptcy,

dissolution or winding up of the Principal, nor enforce any other security held by it for any of the obligations. Bank of Scotland need not advise the Company of its dealings with the Principal or of any default by the Principal of which Bank of Scotland may have knowledge.

- 3.4 On demand made by Bank of Scotland at any time the Company shall secure the performance of its obligations under the Guarantee by depositing with Bank of Scotland or another bank or corporation nominated by Bank of Scotland such a sum as Bank of Scotland shall require.
- In addition to any general lien or similar right to which Bank of Scotland may be entitled by law Bank of Scotland shall have, and may at any time and from time to time without prior notice to the Company exercise a right of set-off or retention in respect of all monies standing to the credit of the Company's account(s) with Bank of Scotland of whatsoever nature and in whatever currency against payment of all monies that may become owing from the Company to Bank of Scotland on any account(s) or in any manner whatsoever including its liability under the Guarantee and whether actually or contingently, alone or jointly with any other(s) and whether as principal or surety or cautioner and in whatever name, style or form together with interest, discount, commission and all other charges and expenses; the Bank may at any time and from time to time in such manner and to such extent as it sees fit and without prior notice to the Guarantor:-
  - (a) apply all monies standing to the credit of the Company's said account(s) to a separate suspense account(s); and/or
  - (b) apply all monies standing to the credit of the Company's said account(s) and/or suspense account(s) in reduction or extinction of all monies (or any of them in such proportions as Bank of Scotland sees fit) that be owing from the Guarantor to Bank of Scotland; and/or
  - refuse payment of any cheque, bill or other document the payment of which to the debit of any Company's account would reduce the total of credit balances held on behalf of the Company below the amount owing to the Bank for the time being by the Principal whether actually or contingently; and/or
  - (d) debit any account(s) of the Company with any monies then due and payable by the Company to Bank of Scotland pursuant to the terms of the Guarantee.

In respect of the Company's liability under the Guarantee, Bank of Scotland shall have a lien on all securities or other property of the Company held by the Bank whether for safe custody or otherwise.

When the Guarantee is executed by or on behalf of two or more parties as Guarantor the liability of each of them to the Bank shall be joint and several, every agreement and undertaking on their part shall take effect accordingly and all references to the Guarantor shall (where the context admits) take effect as references to any of such parties. The Bank may release or discharge any of such parties from their obligations under the Guarantee or accept any composition from or make any arrangements with any of such parties without releasing or discharging the other or others or otherwise prejudicially or affecting the Bank's rights and remedies against the other or others.

For the purpose of this Clause 3 the following term shall have the following meaning:

"Obligations" means all monies and liabilities which shall for the time being and from time to time be due or incurred by the Principal to Bank of Scotland whatsoever whether actually or contingently and whether incurred solely, severally or jointly with any other person and whether as principal or surety or cautioner and whether on account of monies advanced, bills of exchange, promissory notes, guarantees, indemnities and including interest, discount, commission and other charges or expenses which Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Principal's account together with:-

- (i) such further sums for interest (whether or not the same shall have been compounded), commission and banking charges accruing to Bank of Scotland from the Principal before or after the date of demand or the expiration of the said notice, as the case may be, and not debited to the Principal's account at such date, (and so that as against the Company interest shall be deemed to be a liability of the Principal hereby secured notwithstanding that for any reason interest may have ceased to accrue against the Principal),
- (ii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) recoverable by Bank of Scotland from the Principal,
- (iii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) charged or incurred by Bank of Scotland in perfecting or in or about the recovery of attempted recovery of the monies due to Bank of Scotland under the Guarantee, and interest on the foregoing day by day from demand under the Guarantee until full discharge such interest to be chargeable at the rate of interest payable or deemed to be payable by the Principal (whether before or after judgment) as calculated and compounded in accordance with the practice of Bank of Scotland from time to time.



**COMPANIES FORM No. 155(6)b** 

To the Registrar of Companies

Name of company

\*/Wet\_See Rider 1

# **Declaration by the directors** of a holding company in relation to assistance for the acquisition of shares.



Please do not write in this margin

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

CLAREMONT GARMENTS LIMITED

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

For official use Company number 2429682

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

\*Insert full name of company

tinsert name(s) and address(es) of all the directors

Delete as	
appropriate	

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

Delete whichever is inappropriate

The business of the company is:

‡@kythakyofxax<del>keengnised benk</del>kylicensedkingtitutionitetikylicensedikylicensedkyleenkeengeenkeengeenkeengkeenge

ne wystesk och keligik soch kepine groß seine groß kelt hav de soch seine deutsche kepine soch seine groß kelt kelt 🚐 🔪

transperior betinkt sett nixas enieudos on saueni 12

(c) something other than the above‡

This company is [the] [a] holding company of\* D&H Cohen Limited (Registered No. SCO23255) which is proposing to give financial assistance in connection with the acquisition of shares

in [this company] [

Presentor's name, address and reference (if anv):

S J Berwin & Co 222 Grays Inn Road London WC1X 8HB

431/C5463.134/CF:137911.1

For official use General Section

The assistance is for the purpose of [ধেরা মাজনার বিশ্বাসাধিকা] [reducing or discharging a liability incurred for the	e<- Please do not write in this
purpose of that acquisition].† (note 1)	margin
	Please complete legibly, preferab
The number and class of the shares acquired or to be acquired is: 100 ordinary shares of £1	in black type, or bold block
each in Claremont Garments Limited	lettering 
The assistance is to be given to: (note 2) Claremont Garments (Holdings) plc,	
Company No. 00320013, whose registered office is 1 Stephenson Road, Peterlee,	_
County Durham 5R8 5AX	_
	_
	<del></del>
The assistance will take the form of:	
(a) the execution and delivery of a debenture (the "Debenture") from D&H Cohen Limited in favour of Barclays Bank PLC for itself and as agent and trustee for NM Rothschild & Sons Limited and The Governor and Company of The Bank of Scotland;	
(b) the execution and delivery of a guarantee from D&H Cohen Limited in favour of NM Rothschild & Sons Limited (the "Rothschild Guarantee"); and	
(c) the execution and delivery of a guarantee from D&H Cohen Limited in favour of The Governor and Company of The Bank of Scotland (the "Bank of Scotland Guarantee")	
	]
The person who [has acquired] [with acquire] the shares is:	†Delete as
Claremont Garments (Holdings) plc	appropriate 
	_
The principal terms on which the assistance will be given are:	
See Rider 2	1
	1
·	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	d
	-
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 £	Page 2

Please do not write in this
margin

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

\*Delete either (a) or

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) as appropriate (b) [Itxisximbendedktaxoommenoekthekxwindingkupxafkthekspmpanyxwithinxi2xmanthsxofkthetxdetexandkt/life
have downed thekxopinion that dhe xoompanyxwilk be xablestax payxits xdebtekinkfull xwithin xf2xmanths xofkthe
commencement xxfxthekxwindingkup;]\* (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 <u>Peterloe</u> in the <u>County of Dunham</u>

Declarants to sign below

One thousand nine hundred and

before me \_\_\_\_\_\_\_

day of

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.

## RIDER 1 TO STATUTORY DECLARATION OF CLAREMONT GARMENTS LIMITED

ANTHONY PIERRE BOBROFF of 13 Batchworth Lane, Northwood, Middlesex HA6 3AT, MICHAEL JOSEPH MCWILLIAMS of Scotland Head House, Winlaton, Blaydon, Tyne and Wear NE21 6PL, DAVID PRICE of The Dower House Woodlands Hall, Knitsley, Consett, County Durham DH8 9HA, PAUL JOHN SHELDRICK of Rose Cottage, 18 Wynyard Road, Wolviston, Cleveland TS22 5LL, NICHOLAS IAN HAMILTON of Middlemare, Mare Hill, Pulborough, West Sussex RH20 2EA, DAVID MASON of 4 Durham Road, Sedgefield, Stockton on Tees, Cleveland TS20 3DW, DAVID MCGARVEY of 3 Loudwater Ridge, Loudwater, Rickmanworth, Hertfordshire WD2 4AR, KEVIN MICHAEL WEIR of High Bank Main Street, Houghton on the Hill, Leicester, Leicestershire LE7 9GD and PETER MICHAEL WIEGAND of Tentworth House, Tentworth Iping, Midhurst, West Sussex GU29 0PH

Each of the above directors are swearing the Statutory Declarations simultaneously but separately as they are unable to be physically in the same place.

# RIDER 2 TO STATUTORY DECLARATION OF DIRECTORS OF CLAREMONT GARMENTS LIMITED IN RELATION TO ASSISTANCE FROM ITS SUBSIDIARY D&H COHEN LIMITED

#### Introduction

It is a condition precedent to certain new facilities being made available under the Finance Documents (defined below) by the Secured Parties to Claremont Garments (Holdings) Plc (and certain of its subsidiaries) that D&H Cohen (hereinafter the "Company") execute the Debenture, the Rothschild Guarantee and the Bank of Scotland Guarantee as security for the Parent's obligations to the Secured Parties.

### "Finance Documents" means:

- (a) £1.3 million Facility Letter dated 4 November 1992 from The Governor and Company of The Bank of Scotland to the Parent together with a letter of addendum dated 10 April 1997 from The Governor and Company of The Bank of Scotland addressed to the Parent increasing the facilities to £13.3 million;
- (b) £9,833,333 Facility Letter from N M Rothschild & Sons Limited dated April 1997 to the Parent;
- (c) £5 million Overdraft Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent and those of its Subsidiaries named therein which include the Company; and
- (d) £25 million Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent as amended by a Letter from Barclays Bank PLC dated 11 June 1997 to the Parent.

The principal terms on which the assistance will be given by D&H Cohen Limited (hereinafter the "Company") are:

- 1 Under the terms of the Debenture:
- 1.1 The Company will on demand in writing made to the Company pay or discharge to Barclays Bank PLC (hereinafter for the purposes of this Clause 1 called "the Bank") for itself and as agent and trustee to N M Rothschild & Sons Limited and Bank of Scotland all moneys and liabilities which shall for the time being (and whether on or at any time after such demand) be due owing or incurred to the Bank N M Rothschild & Sons Limited or Bank of Scotland by the Company whether actually or contingently and whether solely or jointly with any other person and whether as principal or surety and including interest discount commission or other lawful charges and expenses which the Bank, N M Rothschild & Sons Limited or Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Company's account and so that interest shall be computed and compounded according to the usual mode of the Bank, N M Rothschild & Sons Limited or Bank of Scotland as well as after as before any demand made or judgment obtained under the Debenture.
- 1.2 The Company with full title guarantee charges with the payment or discharge of all moneys and liabilities covenanted to be paid or discharged by the Company:-
  - (a) by way of legal mortgage all the freehold and leasehold property of the Company the title to which is registered at H M Land Registry and which is

described in the schedule to the Debenture together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;

- (b) by way of legal mortgage all other freehold and leasehold property of the Company now vested in it (whether or not registered at H M Land Registry) together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- (c) by way of first fixed charge all future freehold and leasehold property of the Company together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and all the goodwill and uncalled capital for the time being of the Company;
- (d) by way of first charge all books debts and other debts now and from time to time due or owing to the Company;
- (e) by way of a first floating charge all other the undertaking and assets of the Company whatsoever and wheresoever both present and future but so that the Company is not to be a liberty to create any mortgage or charge upon and so that no lien shall in any case or any manner arise on or affect any part of the said premises either in priority to or pari passu with the charge and further that the Company shall have no power without the consent of the Bank to part with or dispose of any part of such premises except by way of sale in the ordinary course of its business.

Any debentures mortgages or charges created after execution of the Debenture by the Company (otherwise than in favour of the Bank) shall be expressed to be subject to the Debenture. The Company shall subject to the rights of any prior mortgage deposit with the Bank and the Bank during the continuance of the Debenture shall be entitled to hold all deeds and documents of title relating to the Company's freehold and leasehold property for the time being and the Company shall on demand in writing made to the Company by the Bank at the cost of the Company execute a valid legal mortgage of any freehold and leasehold properties acquired by it after the date hereof and the fixed plant and machinery thereon to secure the payment or discharge to the Bank of the moneys and liabilities hereby secured such legal mortgage to be in such form as the Bank may require.

- 2. Under the terms of the Rothschild Guarantee:
- 2.1 In consideration of N.M. Rothschild & Sons Limited (hereinafter for the purposes of this Clause 2 the "Bank") making banking facilities or other accommodation available to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 2 the "Principal") the Company as Guarantor irrevocably and unconditionally:-
  - (a) guarantees to the Bank, as principal obligor, the due and punctual payment by the Principal of all money and liabilities, owing or incurred to the Bank by the Principal howsoever arising whether actual or contingent, solely or jointly with any other person and whether as principal or surety together with all interest accruing thereon and all costs, charges and expenses incurred by the Bank in connection therewith (the "Indebtedness") as and when they become due; and
  - (b) undertakes to indemnify the Bank against all losses, damages, costs and expenses incurred by the Bank arising from any failure by the Principal to

pay the sums comprised in the Indebtedness or to meet its obligations to the Bank as and when they fall due, including all amounts the Bank may from time to time require to compensate it for its internal management costs and other costs and expenses incurred by it in relation to the enforcement of the Guarantee.

- 2.2 The Guarantor will pay interest on all sums due hereunder from the date that the Bank demands payment from the Guarantor until actual payment of such sums (as well after as before any judgement) at the rate of 3 per cent per annum above the Bank's base lending rate from time to time, compounded with monthly rests.
- 2.3 Continuing Securities
- 2.3.1 The Guarantee is to be a continuing security extending to the ultimate balance of the Indebtedness and will remain in full force and effect notwithstanding any intermediate payment, settlement of account, giving of notice of determination by the Guarantor or any other thing whatsoever.
- 2.3.2 The Guarantee is in addition, and without prejudice, to any other guarantee, security or right which the Bank may have in respect of the Indebtedness and the Guarantee may be enforced against the Guarantor without the Bank first having recourse to any other guarantee, security or right available to it.
- 2.4 The Guarantee constitutes the primary obligations of the Guarantor. The Bank will not be obliged to make any demand on the Principal before enforcing its rights against the Guarantor and the Guarantor's liability under the Guarantee will not be affected by anything which would not affect its liability if it were the sole principal debtor in respect of the Indebtedness.
- 2.5 The Bank shall have a lien on all property of the Guarantor held by the Bank (whether for safe custody or otherwise) in respect of the Guarantor's liabilities under the Guarantee.
- 3. Under the terms of the Bank of Scotland Guarantee (hereinafter for the purposes of this Clause 3, the "Guarantee"):
- In consideration of The Governor and Company of the Bank of Scotland (the "Bank of Scotland") granting time, credit, banking facilities or accommodation to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 3 the "Principal"), the Company as Guarantor under the Guarantee irrevocably and unconditionally guarantees the payment or discharge of and will on demand in writing pay or discharge the Obligations (and defined below) to the Bank.
- 3.2 The Guarantee and the rights of set-off set forth therein shall be a continuing security to Bank of Scotland, notwithstanding any intermediate payment to Bank of Scotland, settlement of account or other matter whatsoever, until the expiration of three months after receipt by the Bank of Scotland of written notice from the Company to determine the Guarantee and upon such expiration the liability thereunder of the Guarantor shall crystallise and the Company shall remain liable for the amount recoverable at the date of such expiration (including the continuing liability of the Company for unascertained or contingent liabilities comprised in the Obligations at such date).
- 3.3 Before enforcing the Guarantee, Bank of Scotland shall not be obliged to take any action or obtain any judgment, nor make or file any claim in the bankruptcy,

dissolution or winding up of the Principal, nor enforce any other security held by it for any of the obligations. Bank of Scotland need not advise the Company of its dealings with the Principal or of any default by the Principal of which Bank of Scotland may have knowledge.

- 3.4 On demand made by Bank of Scotland at any time the Company shall secure the performance of its obligations under the Guarantee by depositing with Bank of Scotland or another bank or corporation nominated by Bank of Scotland such a sum as Bank of Scotland shall require.
- In addition to any general lien or similar right to which Bank of Scotland may be entitled by law Bank of Scotland shall have, and may at any time and from time to time without prior notice to the Company exercise a right of set-off or retention in respect of all monies standing to the credit of the Company's account(s) with Bank of Scotland of whatsoever nature and in whatever currency against payment of all monies that may become owing from the Company to Bank of Scotland on any account(s) or in any manner whatsoever including its liability under the Guarantee and whether actually or contingently, alone or jointly with any other(s) and whether as principal or surety or cautioner and in whatever name, style or form together with interest, discount, commission and all other charges and expenses; the Bank may at any time and from time to time in such manner and to such extent as it sees fit and without prior notice to the Guarantor:-
  - (a) apply all monies standing to the credit of the Company's said account(s) to a separate suspense account(s); and/or
  - (b) apply all monies standing to the credit of the Company's said account(s) and/or suspense account(s) in reduction or extinction of all monies (or any of them in such proportions as Bank of Scotland sees fit) that be owing from the Guarantor to Bank of Scotland; and/or
  - refuse payment of any cheque, bill or other document the payment of which to the debit of any Company's account would reduce the total of credit balances held on behalf of the Company below the amount owing to the Bank for the time being by the Principal whether actually or contingently; and/or
  - (d) debit any account(s) of the Company with any monies then due and payable by the Company to Bank of Scotland pursuant to the terms of the Guarantee.

In respect of the Company's liability under the Guarantee, Bank of Scotland shall have a lien on all securities or other property of the Company held by the Bank whether for safe custody or otherwise.

When the Guarantee is executed by or on behalf of two or more parties as Guarantor the liability of each of them to the Bank shall be joint and several, every agreement and undertaking on their part shall take effect accordingly and all references to the Guarantor shall (where the context admits) take effect as references to any of such parties. The Bank may release or discharge any of such parties from their obligations under the Guarantee or accept any composition from or make any arrangements with any of such parties without releasing or discharging the other or others or otherwise prejudicially or affecting the Bank's rights and remedies against the other or others.

For the purpose of this Clause 3 the following term shall have the following meaning:

"Obligations" means all monies and liabilities which shall for the time being and from time to time be due or incurred by the Principal to Bank of Scotland whatsoever whether actually or contingently and whether incurred solely, severally or jointly with any other person and whether as principal or surety or cautioner and whether on account of monies advanced, bills of exchange, promissory notes, guarantees, indemnities and including interest, discount, commission and other charges or expenses which Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Principal's account together with:-

- (i) such further sums for interest (whether or not the same shall have been compounded), commission and banking charges accruing to Bank of Scotland from the Principal before or after the date of demand or the expiration of the said notice, as the case may be, and not debited to the Principal's account at such date, (and so that as against the Company interest shall be deemed to be a liability of the Principal hereby secured notwithstanding that for any reason interest may have ceased to accrue against the Principal),
- (ii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) recoverable by Bank of Scotland from the Principal,
- (iii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) charged or incurred by Bank of Scotland in perfecting or in or about the recovery of attempted recovery of the monies due to Bank of Scotland under the Guarantee, and interest on the foregoing day by day from demand under the Guarantee until full discharge such interest to be chargeable at the rate of interest payable or deemed to be payable by the Principal (whether before or after judgment) as calculated and compounded in accordance with the practice of Bank of Scotland from time to time.



COMPANIES FORM No. 155(6)b

To the Registrar of Companies

x/Wet See Rider 1

## **Declaration by the directors** of a holding company in relation to assistance for the acquisition of shares.



Company number

Please do not write in this margin

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

CLAREMONT GARMENTS LIMITED

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

2429682 Name of company

For official use

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

\*Insert full name of company

tinsert name(s) and address(es) of all the directors

									·			
§Delete as appropriate	∠> [thex salex dixector]	[all the	directors]§	of	the	above	company	(hereinafter	called	'this	company')	do

‡Delete whichever is inappropriate

The business of the company is:

solemnly and sincerely declare that:

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transporied behind seltraixecenicus sonsaucni ムム

(c) something other than the above ‡

This company is [the] [a] holding company of\* D&H Cohen Limited (Registered No. SCO23255) which is proposing to give financial assistance in connection with the acquisition of shares

in [this company] [

the shooting company so this compens.]

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

S J Berwin & Co 222 Grays Inn Road London WC1X 8HB

431/C5463.134/CF:137911.1

For official use General Section

COMPANIES HOUSE 25/06/97

The assistance is for the purpose of [ধেরাধেরতারারাজন] [reducing or discharging a liability incurred for the purpose of that acquisition].† (note 1)	write in this margin
The number and class of the shares acquired or to be acquired is: 100 ordinary shares of £1  each in Claremont Garments Limited	Please comple legibly, prefers in black type, of bold block lettering
The assistance is to be given to: (note 2) Claremont Garments (Holdings) plc,	
Company No. 00320013, whose registered office is 1 Stephenson Road, Peterlee,	_
County Durham 5R8 5AX	-
The assistance will take the form of:	-
(a) the execution and delivery of a debenture (the "Debenture") from D&H Cohen Limited in favour of Barclays Bank PLC for itself and as agent and trustee for NM Rothschild & Sons Limited and The Governor and Company of The Bank of Scotland;	
(b) the execution and delivery of a guarantee from D&H Cohen Limited in favour of NM Rothschild & Sons Limited (the "Rothschild Guarantee"); and	<u> </u>
(c) the execution and delivery of a guarantee from D&H Cohen Limited in favour of The Governor and Company of The Bank of Scotland (the "Bank of Scotland Guarantee")	
The person who [has acquired] [willbacquire]† the shares is:	
Claremont Garments (Holdings) plc	fDelete as appropriate
The principal terms on which the assistance will be given are:	
See Rider 2	
The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is $\frac{\text{Nil}}{\text{Nil}}$	
by giving it is	
The amount of cash 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

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)

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commencement xxx x the xwinding expx]\* (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 <u>feletel</u> in the <u>County</u> of Dwham

the 13th day of Ju

One thousand nine hundred and nunch, Seven

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

### 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.

## RIDER 1 TO STATUTORY DECLARATION OF CLAREMONT GARMENTS LIMITED

ANTHONY PIERRE BOBROFF of 13 Batchworth Lane, Northwood, Middlesex HA6 3AT, MICHAEL JOSEPH MCWILLIAMS of Scotland Head House, Winlaton, Blaydon, Tyne and Wear NE21 6PL, DAVID PRICE of The Dower House Woodlands Hall, Knitsley, Consett, County Durham DH8 9HA, PAUL JOHN SHELDRICK of Rose Cottage, 18 Wynyard Road, Wolviston, Cleveland TS22 5LL, NICHOLAS IAN HAMILTON of Middlemare, Mare Hill, Pulborough, West Sussex RH20 2EA, DAVID MASON of 4 Durham Road, Sedgefield, Stockton on Tees, Cleveland TS20 3DW, DAVID MCGARVEY of 3 Loudwater Ridge, Loudwater, Rickmanworth, Hertfordshire WD2 4AR, KEVIN MICHAEL WEIR of High Bank Main Street, Houghton on the Hill, Leicester, Leicestershire LE7 9GD and PETER MICHAEL WIEGAND of Tentworth House, Tentworth Iping, Midhurst, West Sussex GU29 0PH

Each of the above directors are swearing the Statutory Declarations simultaneously but separately as they are unable to be physically in the same place.

# RIDER 2 TO STATUTORY DECLARATION OF DIRECTORS OF CLAREMONT GARMENTS LIMITED IN RELATION TO ASSISTANCE FROM ITS SUBSIDIARY D&H COHEN LIMITED

#### Introduction

It is a condition precedent to certain new facilities being made available under the Finance Documents (defined below) by the Secured Parties to Claremont Garments (Holdings) Plc (and certain of its subsidiaries) that D&H Cohen (hereinafter the "Company") execute the Debenture, the Rothschild Guarantee and the Bank of Scotland Guarantee as security for the Parent's obligations to the Secured Parties.

## "Finance Documents" means:

- (a) £1.3 million Facility Letter dated 4 November 1992 from The Governor and Company of The Bank of Scotland to the Parent together with a letter of addendum dated 10 April 1997 from The Governor and Company of The Bank of Scotland addressed to the Parent increasing the facilities to £13.3 million;
- (b) £9,833,333 Facility Letter from N M Rothschild & Sons Limited dated April 1997 to the Parent;
- (c) £5 million Overdraft Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent and those of its Subsidiaries named therein which include the Company; and
- (d) £25 million Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent as amended by a Letter from Barclays Bank PLC dated 11 June 1997 to the Parent.

The principal terms on which the assistance will be given by D&H Cohen Limited (hereinafter the "Company") are:

- 1 Under the terms of the Debenture:
- 1.1 The Company will on demand in writing made to the Company pay or discharge to Barclays Bank PLC (hereinafter for the purposes of this Clause 1 called "the Bank") for itself and as agent and trustee to N M Rothschild & Sons Limited and Bank of Scotland all moneys and liabilities which shall for the time being (and whether on or at any time after such demand) be due owing or incurred to the Bank N M Rothschild & Sons Limited or Bank of Scotland by the Company whether actually or contingently and whether solely or jointly with any other person and whether as principal or surety and including interest discount commission or other lawful charges and expenses which the Bank, N M Rothschild & Sons Limited or Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Company's account and so that interest shall be computed and compounded according to the usual mode of the Bank, N M Rothschild & Sons Limited or Bank of Scotland as well as after as before any demand made or judgment obtained under the Debenture.
- 1.2 The Company with full title guarantee charges with the payment or discharge of all moneys and liabilities covenanted to be paid or discharged by the Company:-
  - (a) by way of legal mortgage all the freehold and leasehold property of the Company the title to which is registered at H M Land Registry and which is

described in the schedule to the Debenture together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;

- (b) by way of legal mortgage all other freehold and leasehold property of the Company now vested in it (whether or not registered at H M Land Registry) together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- by way of first fixed charge all future freehold and leasehold property of the Company together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and all the goodwill and uncalled capital for the time being of the Company;
- (d) by way of first charge all books debts and other debts now and from time to time due or owing to the Company;
- (e) by way of a first floating charge all other the undertaking and assets of the Company whatsoever and wheresoever both present and future but so that the Company is not to be a liberty to create any mortgage or charge upon and so that no lien shall in any case or any manner arise on or affect any part of the said premises either in priority to or pari passu with the charge and further that the Company shall have no power without the consent of the Bank to part with or dispose of any part of such premises except by way of sale in the ordinary course of its business.

Any debentures mortgages or charges created after execution of the Debenture by the Company (otherwise than in favour of the Bank) shall be expressed to be subject to the Debenture. The Company shall subject to the rights of any prior mortgage deposit with the Bank and the Bank during the continuance of the Debenture shall be entitled to hold all deeds and documents of title relating to the Company's freehold and leasehold property for the time being and the Company shall on demand in writing made to the Company by the Bank at the cost of the Company execute a valid legal mortgage of any freehold and leasehold properties acquired by it after the date hereof and the fixed plant and machinery thereon to secure the payment or discharge to the Bank of the moneys and liabilities hereby secured such legal mortgage to be in such form as the Bank may require.

- 2. Under the terms of the Rothschild Guarantee:
- 2.1 In consideration of N.M. Rothschild & Sons Limited (hereinafter for the purposes of this Clause 2 the "Bank") making banking facilities or other accommodation available to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 2 the "Principal") the Company as Guarantor irrevocably and unconditionally:-
  - (a) guarantees to the Bank, as principal obligor, the due and punctual payment by the Principal of all money and liabilities, owing or incurred to the Bank by the Principal howsoever arising whether actual or contingent, solely or jointly with any other person and whether as principal or surety together with all interest accruing thereon and all costs, charges and expenses incurred by the Bank in connection therewith (the "Indebtedness") as and when they become due; and
  - (b) undertakes to indemnify the Bank against all losses, damages, costs and expenses incurred by the Bank arising from any failure by the Principal to

pay the sums comprised in the Indebtedness or to meet its obligations to the Bank as and when they fall due, including all amounts the Bank may from time to time require to compensate it for its internal management costs and other costs and expenses incurred by it in relation to the enforcement of the Guarantee.

- 2.2 The Guarantor will pay interest on all sums due hereunder from the date that the Bank demands payment from the Guarantor until actual payment of such sums (as well after as before any judgement) at the rate of 3 per cent per annum above the Bank's base lending rate from time to time, compounded with monthly rests.
- 2.3 Continuing Securities
- 2.3.1 The Guarantee is to be a continuing security extending to the ultimate balance of the Indebtedness and will remain in full force and effect notwithstanding any intermediate payment, settlement of account, giving of notice of determination by the Guarantor or any other thing whatsoever.
- 2.3.2 The Guarantee is in addition, and without prejudice, to any other guarantee, security or right which the Bank may have in respect of the Indebtedness and the Guarantee may be enforced against the Guarantor without the Bank first having recourse to any other guarantee, security or right available to it.
- 2.4 The Guarantee constitutes the primary obligations of the Guarantor. The Bank will not be obliged to make any demand on the Principal before enforcing its rights against the Guarantor and the Guarantor's liability under the Guarantee will not be affected by anything which would not affect its liability if it were the sole principal debtor in respect of the Indebtedness.
- 2.5 The Bank shall have a lien on all property of the Guarantor held by the Bank (whether for safe custody or otherwise) in respect of the Guarantor's liabilities under the Guarantee.
- 3. Under the terms of the Bank of Scotland Guarantee (hereinafter for the purposes of this Clause 3, the "Guarantee"):
- In consideration of The Governor and Company of the Bank of Scotland (the "Bank of Scotland") granting time, credit, banking facilities or accommodation to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 3 the "Principal"), the Company as Guarantor under the Guarantee irrevocably and unconditionally guarantees the payment or discharge of and will on demand in writing pay or discharge the Obligations (and defined below) to the Bank.
- 3.2 The Guarantee and the rights of set-off set forth therein shall be a continuing security to Bank of Scotland, notwithstanding any intermediate payment to Bank of Scotland, settlement of account or other matter whatsoever, until the expiration of three months after receipt by the Bank of Scotland of written notice from the Company to determine the Guarantee and upon such expiration the liability thereunder of the Guarantor shall crystallise and the Company shall remain liable for the amount recoverable at the date of such expiration (including the continuing liability of the Company for unascertained or contingent liabilities comprised in the Obligations at such date).
- 3.3 Before enforcing the Guarantee, Bank of Scotland shall not be obliged to take any action or obtain any judgment, nor make or file any claim in the bankruptcy,

dissolution or winding up of the Principal, nor enforce any other security held by it for any of the obligations. Bank of Scotland need not advise the Company of its dealings with the Principal or of any default by the Principal of which Bank of Scotland may have knowledge.

- 3.4 On demand made by Bank of Scotland at any time the Company shall secure the performance of its obligations under the Guarantee by depositing with Bank of Scotland or another bank or corporation nominated by Bank of Scotland such a sum as Bank of Scotland shall require.
- In addition to any general lien or similar right to which Bank of Scotland may be entitled by law Bank of Scotland shall have, and may at any time and from time to time without prior notice to the Company exercise a right of set-off or retention in respect of all monies standing to the credit of the Company's account(s) with Bank of Scotland of whatsoever nature and in whatever currency against payment of all monies that may become owing from the Company to Bank of Scotland on any account(s) or in any manner whatsoever including its liability under the Guarantee and whether actually or contingently, alone or jointly with any other(s) and whether as principal or surety or cautioner and in whatever name, style or form together with interest, discount, commission and all other charges and expenses; the Bank may at any time and from time to time in such manner and to such extent as it sees fit and without prior notice to the Guarantor:-
  - (a) apply all monies standing to the credit of the Company's said account(s) to a separate suspense account(s); and/or
  - (b) apply all monies standing to the credit of the Company's said account(s) and/or suspense account(s) in reduction or extinction of all monies (or any of them in such proportions as Bank of Scotland sees fit) that be owing from the Guarantor to Bank of Scotland; and/or
  - (c) refuse payment of any cheque, bill or other document the payment of which to the debit of any Company's account would reduce the total of credit balances held on behalf of the Company below the amount owing to the Bank for the time being by the Principal whether actually or contingently; and/or
  - (d) debit any account(s) of the Company with any monies then due and payable by the Company to Bank of Scotland pursuant to the terms of the Guarantee.

In respect of the Company's liability under the Guarantee, Bank of Scotland shall have a lien on all securities or other property of the Company held by the Bank whether for safe custody or otherwise.

When the Guarantee is executed by or on behalf of two or more parties as Guarantor the liability of each of them to the Bank shall be joint and several, every agreement and undertaking on their part shall take effect accordingly and all references to the Guarantor shall (where the context admits) take effect as references to any of such parties. The Bank may release or discharge any of such parties from their obligations under the Guarantee or accept any composition from or make any arrangements with any of such parties without releasing or discharging the other or others or otherwise prejudicially or affecting the Bank's rights and remedies against the other or others.

For the purpose of this Clause 3 the following term shall have the following meaning:

"Obligations" means all monies and liabilities which shall for the time being and from time to time be due or incurred by the Principal to Bank of Scotland whatsoever whether actually or contingently and whether incurred solely, severally or jointly with any other person and whether as principal or surety or cautioner and whether on account of monies advanced, bills of exchange, promissory notes, guarantees, indemnities and including interest, discount, commission and other charges or expenses which Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Principal's account together with:-

- (i) such further sums for interest (whether or not the same shall have been compounded), commission and banking charges accruing to Bank of Scotland from the Principal before or after the date of demand or the expiration of the said notice, as the case may be, and not debited to the Principal's account at such date, (and so that as against the Company interest shall be deemed to be a liability of the Principal hereby secured notwithstanding that for any reason interest may have ceased to accrue against the Principal).
- (ii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) recoverable by Bank of Scotland from the Principal,
- (iii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) charged or incurred by Bank of Scotland in perfecting or in or about the recovery of attempted recovery of the monies due to Bank of Scotland under the Guarantee, and interest on the foregoing day by day from demand under the Guarantee until full discharge such interest to be chargeable at the rate of interest payable or deemed to be payable by the Principal (whether before or after judgment) as calculated and compounded in accordance with the practice of Bank of Scotland from time to time.

in the



**COMPANIES FORM No. 155(6)b** 

## Declaration by the directors of a holding company in relation to assistance for the acquisition of shares.



Please do not write in this margin	Pursuant to section 155(6) of the Companies A	Act 1985	
Please complete	To the Registrar of Companies	For official use	Company number
legibly, preferably in black type, or			2429682
bold block lettering	Name of company	<u> </u>	
Note Please read the notes on page 3 before	* CLAREMONT GARMENTS LIMITED		
completing this form			
finsert full name of company	*/Wet See Rider 1		
finsert name(s) and address(es) of all the directors			
		<u> </u>	<u> </u>
§Delete as appropriate &ce	ادر المحدية المحدية المحدية (all the directors) of the solemnly and sincerely declare that:	e above company (hereinai	fter called 'this company') do
‡Delete whichever	The business of the company is:		
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	(c) something other than the above‡		
44	This company is [the] [a] holding company of*	D&H Cohen Limited	
		···	which is
	proposing to give financial assistance in conne	ection with the acquisition of	
			######################################
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Presentor's name, address and reference (if any):
S J Berwin & Co
222 Grays Inn Road
London

WC1X 8HB

431/C5463.134/CF:137911.1

For official use General Section

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ourpose of that acquisition].† (note 1)	margin
	Please como legibly, prefe
The number and class of the shares acquired or to be acquired is: 100 ordinary shares of £1	in black type bold block
each in Claremont Garments Limited	lettering 
The assistance is to be given to: (note 2) Claremont Garments (Holdings) plc,	
Company No. 00320013, whose registered office is 1 Stephenson Road, Peterlee,	_
County Durham 5R8 5AX	_
	_
The assistance will take the form of:	-
the assistance will take the form of.	
(a) the execution and delivery of a debenture (the "Debenture") from D&H Cohen Limited in favour of Barclays Bank PLC for itself and as agent and trustee for NM Rothschild & Sons Limited and The Governor and Company of The Bank of Scotland;	
(b) the execution and delivery of a guarantee from D&H Cohen Limited in favour of NM Rothschild & Sons Limited (the "Rothschild Guarantee"); and	
(c) the execution and delivery of a guarantee from D&H Cohen Limited in favour of The Governor and Company of The Bank of Scotland (the "Bank of Scotland Guarantee")	
	4
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Che amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is   Nil	appropriate

iPlease do not The date on which the assistance is to be given is	
-write in this	

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)

\*\*Delete either (a) or the year immediately following that date;\* (note 3)

(b) as appropriate

(b) [kxixxintendedxtaxoommencexthexwinding-upxofxthexxompanyxwithinx12xmenthsxofxthetxdetexandx/we

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commencement of the xwinding-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 <u>Peterlee in the</u>
Country of Ducham
the 13th day of June
One thousand nine hundred and nine hundred.
octors are 6 halpt
pefore me)

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

\_ 19 \_

Davis masen

### **NOTES**

Please complete Begibly, preferably En black type, or

**bold block lettering** 

- 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.

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# RIDER 2 TO STATUTORY DECLARATION OF DIRECTORS OF CLAREMONT GARMENTS LIMITED IN RELATION TO ASSISTANCE FROM ITS SUBSIDIARY D&H COHEN LIMITED

#### Introduction

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dissolution or winding up of the Principal, nor enforce any other security held by it for any of the obligations. Bank of Scotland need not advise the Company of its dealings with the Principal or of any default by the Principal of which Bank of Scotland may have knowledge.

- 3.4 On demand made by Bank of Scotland at any time the Company shall secure the performance of its obligations under the Guarantee by depositing with Bank of Scotland or another bank or corporation nominated by Bank of Scotland such a sum as Bank of Scotland shall require.
- In addition to any general lien or similar right to which Bank of Scotland may be entitled by law Bank of Scotland shall have, and may at any time and from time to time without prior notice to the Company exercise a right of set-off or retention in respect of all monies standing to the credit of the Company's account(s) with Bank of Scotland of whatsoever nature and in whatever currency against payment of all monies that may become owing from the Company to Bank of Scotland on any account(s) or in any manner whatsoever including its liability under the Guarantee and whether actually or contingently, alone or jointly with any other(s) and whether as principal or surety or cautioner and in whatever name, style or form together with interest, discount, commission and all other charges and expenses; the Bank may at any time and from time to time in such manner and to such extent as it sees fit and without prior notice to the Guarantor:-
  - (a) apply all monies standing to the credit of the Company's said account(s) to a separate suspense account(s); and/or
  - (b) apply all monies standing to the credit of the Company's said account(s) and/or suspense account(s) in reduction or extinction of all monies (or any of them in such proportions as Bank of Scotland sees fit) that be owing from the Guarantor to Bank of Scotland; and/or
  - (c) refuse payment of any cheque, bill or other document the payment of which to the debit of any Company's account would reduce the total of credit balances held on behalf of the Company below the amount owing to the Bank for the time being by the Principal whether actually or contingently; and/or
  - (d) debit any account(s) of the Company with any monies then due and payable by the Company to Bank of Scotland pursuant to the terms of the Guarantee.

In respect of the Company's liability under the Guarantee, Bank of Scotland shall have a lien on all securities or other property of the Company held by the Bank whether for safe custody or otherwise.

When the Guarantee is executed by or on behalf of two or more parties as Guarantor the liability of each of them to the Bank shall be joint and several, every agreement and undertaking on their part shall take effect accordingly and all references to the Guarantor shall (where the context admits) take effect as references to any of such parties. The Bank may release or discharge any of such parties from their obligations under the Guarantee or accept any composition from or make any arrangements with any of such parties without releasing or discharging the other or others or otherwise prejudicially or affecting the Bank's rights and remedies against the other or others.

For the purpose of this Clause 3 the following term shall have the following meaning:

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"Obligations" means all monies and liabilities which shall for the time being and from time to time be due or incurred by the Principal to Bank of Scotland whatsoever whether actually or contingently and whether incurred solely, severally or jointly with any other person and whether as principal or surety or cautioner and whether on account of monies advanced, bills of exchange, promissory notes, guarantees, indemnities and including interest, discount, commission and other charges or expenses which Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Principal's account together with:-

- (i) such further sums for interest (whether or not the same shall have been compounded), commission and banking charges accruing to Bank of Scotland from the Principal before or after the date of demand or the expiration of the said notice, as the case may be, and not debited to the Principal's account at such date, (and so that as against the Company interest shall be deemed to be a liability of the Principal hereby secured notwithstanding that for any reason interest may have ceased to accrue against the Principal),
- (ii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) recoverable by Bank of Scotland from the Principal,
- (iii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) charged or incurred by Bank of Scotland in perfecting or in or about the recovery of attempted recovery of the monies due to Bank of Scotland under the Guarantee, and interest on the foregoing day by day from demand under the Guarantee until full discharge such interest to be chargeable at the rate of interest payable or deemed to be payable by the Principal (whether before or after judgment) as calculated and compounded in accordance with the practice of Bank of Scotland from time to time.



## **COMPANIES FORM No. 155(6)b**

# Declaration by the directors of a holding company in relation to assistance for the acquisition of shares.



Mease do not write in this	Pursuant to section 155(6) of the Companies Act 19	985	
nargin Yease complete	To the Registrar of Companies	For official use	Company number
egibly, preferably n black type, or			2429682
old block lettering	Name of company		
lote Please read the notes on page 3 before completing this form	* CLAREMONT GARMENTS LIMITED		
insert full name of company	*/We† See Rider 1		
Insert name(s) and address(es) of all the directors			
Delete as appropriate	>[thex এর lex প্রাথেকেকে) [all the directors]\$ of the ab solemnly and sincerely declare that:	ove company (hereinaf	iter called 'this company') do
Delete whichever s inappropriate	The business of the company is:		
	tutiterixbeznasili xi <mark>xlaad. bezirgezax</mark> ixaxtoxxantx(a) <	niceseck sold strictions about	grantxthexBenkingxActxt079‡
Ken	s. Scanitosac sabrustosairodtus kosasag sac to santix (d)	nk. Ak. of k. thek. Insutance x Go	mpanias:Aet deel damene
4~	‡mobgnisk batink sak nizazenieuskeonszueni		
	(c) something other than the above‡		
	This company is [the] [a] holding company of* D&		
	proposing to give financial assistance in connection in [this company] [	•	shares
		thexholding	‡[.ymaqmoo:sidkho:ynsqmax.g
	Presentor's name, address and For official us	se .	

**General Section** 

Page 1

431/C5463.134/CF:137911.1

reference (if any):

London WC1X 8HB

S J Berwin & Co 222 Grays Inn Road

COMPANIES HOUSE 25/06/97

The assistance is for the purpose of [that acquisition] [reducing or discharging a liability incurred for the	
purpose of that acquisition].† (note 1)	write in this margin
	Please complete
The number and class of the shares acquired or to be acquired is: 100 ordinary shares of £1	legibly, preferab in black type, or
each in Claremont Garments Limited	bold block lettering
	_
The assistance is to be given to: (note 2) Claremont Garments (Holdings) plc,	
Company No. 00320013, whose registered office is 1 Stephenson Road, Peterlee,	
County Durham 5R8 5AX	
The assistance will take the form of:	
(a) the execution and delivery of a debenture (the "Debenture") from D&H Cohen Limited in favour of Barclays Bank PLC for itself and as agent and trustee for NM Rothschild & Sons Limited and The Governor and Company of The Bank of Scotland;	
(b) the execution and delivery of a guarantee from D&H Cohen Limited in favour of NM Rothschild & Sons Limited (the "Rothschild Guarantee"); and	
(c) the execution and delivery of a guarantee from D&H Cohen Limited in favour of The Governor and Company of The Bank of Scotland (the "Bank of Scotland Guarantee")	
The person who [has acquired] [withacquire] the shares is:	<b>‡</b> Doloto oo
Claremont Garments (Holdings) plc	tDelete as appropriate
(All Lands), Parameters (All L	
The principal terms on which the assistance will be given are:	
See Rider 2	
The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is $\frac{\text{Nil}}{\text{Nil}}$	
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 £	
THE VALUE OF ANY ASSET TO BE transferred to the person assisted is \$	Page 2

Please do not	
write in this	
margin	

The date on which the assistance is to be given is	
--	--

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

\*Delete either (a) or

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) as appropriate [lix is xintendeck to xoormence; the winding up xeft the xentpany within x2 xnexths xofx that x detex and x/4/4/2

 $\zeta$  > have allowing the holomorphisms that whe accompany will be ablested approximately debted in full within  $\pm 2$  and  $\pm 1$  and  $\pm$ 

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 <u>Peterlee</u> is the <u>Country</u> of Dwham

the 13' day of 10

One thousand nine hundred and nunery Seven

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

P.y. sholdnik.

### **NOTES**

before me

- 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.

## RIDER 1 TO STATUTORY DECLARATION OF CLAREMONT GARMENTS LIMITED

ANTHONY PIERRE BOBROFF of 13 Batchworth Lane, Northwood, Middlesex HA6 3AT, MICHAEL JOSEPH MCWILLIAMS of Scotland Head House, Winlaton, Blaydon, Tyne and Wear NE21 6PL, DAVID PRICE of The Dower House Woodlands Hall, Knitsley, Consett, County Durham DH8 9HA, PAUL JOHN SHELDRICK of Rose Cottage, 18 Wynyard Road, Wolviston, Cleveland TS22 5LL, NICHOLAS IAN HAMILTON of Middlemare, Mare Hill, Pulborough, West Sussex RH20 2EA, DAVID MASON of 4 Durham Road, Sedgefield, Stockton on Tees, Cleveland TS20 3DW, DAVID MCGARVEY of 3 Loudwater Ridge, Loudwater, Rickmanworth, Hertfordshire WD2 4AR, KEVIN MICHAEL WEIR of High Bank Main Street, Houghton on the Hill, Leicester, Leicestershire LE7 9GD and PETER MICHAEL WIEGAND of Tentworth House, Tentworth Iping, Midhurst, West Sussex GU29 0PH

Each of the above directors are swearing the Statutory Declarations simultaneously but separately as they are unable to be physically in the same place.

# RIDER 2 TO STATUTORY DECLARATION OF DIRECTORS OF CLAREMONT GARMENTS LIMITED IN RELATION TO ASSISTANCE FROM ITS SUBSIDIARY D&H COHEN LIMITED

#### Introduction

It is a condition precedent to certain new facilities being made available under the Finance Documents (defined below) by the Secured Parties to Claremont Garments (Holdings) Plc (and certain of its subsidiaries) that D&H Cohen (hereinafter the "Company") execute the Debenture, the Rothschild Guarantee and the Bank of Scotland Guarantee as security for the Parent's obligations to the Secured Parties.

### "Finance Documents" means:

- (a) £1.3 million Facility Letter dated 4 November 1992 from The Governor and Company of The Bank of Scotland to the Parent together with a letter of addendum dated 10 April 1997 from The Governor and Company of The Bank of Scotland addressed to the Parent increasing the facilities to £13.3 million;
- (b) £9,833,333 Facility Letter from N M Rothschild & Sons Limited dated April 1997 to the Parent;
- (c) £5 million Overdraft Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent and those of its Subsidiaries named therein which include the Company; and
- (d) £25 million Facility Letter from Barclays Bank Plc dated 21 March 1997 to the Parent as amended by a Letter from Barclays Bank PLC dated 11 June 1997 to the Parent.

The principal terms on which the assistance will be given by D&H Cohen Limited (hereinafter the "Company") are:

- 1 Under the terms of the Debenture:
- 1.1 The Company will on demand in writing made to the Company pay or discharge to Barclays Bank PLC (hereinafter for the purposes of this Clause 1 called "the Bank") for itself and as agent and trustee to N M Rothschild & Sons Limited and Bank of Scotland all moneys and liabilities which shall for the time being (and whether on or at any time after such demand) be due owing or incurred to the Bank N M Rothschild & Sons Limited or Bank of Scotland by the Company whether actually or contingently and whether solely or jointly with any other person and whether as principal or surety and including interest discount commission or other lawful charges and expenses which the Bank, N M Rothschild & Sons Limited or Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Company's account and so that interest shall be computed and compounded according to the usual mode of the Bank, N M Rothschild & Sons Limited or Bank of Scotland as well as after as before any demand made or judgment obtained under the Debenture.
- 1.2 The Company with full title guarantee charges with the payment or discharge of all moneys and liabilities covenanted to be paid or discharged by the Company:-
  - (a) by way of legal mortgage all the freehold and leasehold property of the Company the title to which is registered at H M Land Registry and which is

described in the schedule to the Debenture together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;

- (b) by way of legal mortgage all other freehold and leasehold property of the Company now vested in it (whether or not registered at H M Land Registry) together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- (c) by way of first fixed charge all future freehold and leasehold property of the Company together with all buildings fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and all the goodwill and uncalled capital for the time being of the Company;
- (d) by way of first charge all books debts and other debts now and from time to time due or owing to the Company;
- (e) by way of a first floating charge all other the undertaking and assets of the Company whatsoever and wheresoever both present and future but so that the Company is not to be a liberty to create any mortgage or charge upon and so that no lien shall in any case or any manner arise on or affect any part of the said premises either in priority to or pari passu with the charge and further that the Company shall have no power without the consent of the Bank to part with or dispose of any part of such premises except by way of sale in the ordinary course of its business.

Any debentures mortgages or charges created after execution of the Debenture by the Company (otherwise than in favour of the Bank) shall be expressed to be subject to the Debenture. The Company shall subject to the rights of any prior mortgage deposit with the Bank and the Bank during the continuance of the Debenture shall be entitled to hold all deeds and documents of title relating to the Company's freehold and leasehold property for the time being and the Company shall on demand in writing made to the Company by the Bank at the cost of the Company execute a valid legal mortgage of any freehold and leasehold properties acquired by it after the date hereof and the fixed plant and machinery thereon to secure the payment or discharge to the Bank of the moneys and liabilities hereby secured such legal mortgage to be in such form as the Bank may require.

- 2. Under the terms of the Rothschild Guarantee:
- 2.1 In consideration of N.M. Rothschild & Sons Limited (hereinafter for the purposes of this Clause 2 the "Bank") making banking facilities or other accommodation available to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 2 the "Principal") the Company as Guarantor irrevocably and unconditionally:-
  - (a) guarantees to the Bank, as principal obligor, the due and punctual payment by the Principal of all money and liabilities, owing or incurred to the Bank by the Principal howsoever arising whether actual or contingent, solely or jointly with any other person and whether as principal or surety together with all interest accruing thereon and all costs, charges and expenses incurred by the Bank in connection therewith (the "Indebtedness") as and when they become due; and
  - (b) undertakes to indemnify the Bank against all losses, damages, costs and expenses incurred by the Bank arising from any failure by the Principal to

pay the sums comprised in the Indebtedness or to meet its obligations to the Bank as and when they fall due, including all amounts the Bank may from time to time require to compensate it for its internal management costs and other costs and expenses incurred by it in relation to the enforcement of the Guarantee.

- 2.2 The Guarantor will pay interest on all sums due hereunder from the date that the Bank demands payment from the Guarantor until actual payment of such sums (as well after as before any judgement) at the rate of 3 per cent per annum above the Bank's base lending rate from time to time, compounded with monthly rests.
- 2.3 Continuing Securities
- 2.3.1 The Guarantee is to be a continuing security extending to the ultimate balance of the Indebtedness and will remain in full force and effect notwithstanding any intermediate payment, settlement of account, giving of notice of determination by the Guarantor or any other thing whatsoever.
- 2.3.2 The Guarantee is in addition, and without prejudice, to any other guarantee, security or right which the Bank may have in respect of the Indebtedness and the Guarantee may be enforced against the Guarantor without the Bank first having recourse to any other guarantee, security or right available to it.
- 2.4 The Guarantee constitutes the primary obligations of the Guarantor. The Bank will not be obliged to make any demand on the Principal before enforcing its rights against the Guarantor and the Guarantor's liability under the Guarantee will not be affected by anything which would not affect its liability if it were the sole principal debtor in respect of the Indebtedness.
- 2.5 The Bank shall have a lien on all property of the Guarantor held by the Bank (whether for safe custody or otherwise) in respect of the Guarantor's liabilities under the Guarantee.
- 3. Under the terms of the Bank of Scotland Guarantee (hereinafter for the purposes of this Clause 3, the "Guarantee"):
- In consideration of The Governor and Company of the Bank of Scotland (the "Bank of Scotland") granting time, credit, banking facilities or accommodation to Claremont Garments (Holdings) plc (hereinafter for the purpose of this Clause 3 the "Principal"), the Company as Guarantor under the Guarantee irrevocably and unconditionally guarantees the payment or discharge of and will on demand in writing pay or discharge the Obligations (and defined below) to the Bank.
- 3.2 The Guarantee and the rights of set-off set forth therein shall be a continuing security to Bank of Scotland, notwithstanding any intermediate payment to Bank of Scotland, settlement of account or other matter whatsoever, until the expiration of three months after receipt by the Bank of Scotland of written notice from the Company to determine the Guarantee and upon such expiration the liability thereunder of the Guarantor shall crystallise and the Company shall remain liable for the amount recoverable at the date of such expiration (including the continuing liability of the Company for unascertained or contingent liabilities comprised in the Obligations at such date).
- 3.3 Before enforcing the Guarantee, Bank of Scotland shall not be obliged to take any action or obtain any judgment, nor make or file any claim in the bankruptcy,

dissolution or winding up of the Principal, nor enforce any other security held by it for any of the obligations. Bank of Scotland need not advise the Company of its dealings with the Principal or of any default by the Principal of which Bank of Scotland may have knowledge.

- 3.4 On demand made by Bank of Scotland at any time the Company shall secure the performance of its obligations under the Guarantee by depositing with Bank of Scotland or another bank or corporation nominated by Bank of Scotland such a sum as Bank of Scotland shall require.
- In addition to any general lien or similar right to which Bank of Scotland may be entitled by law Bank of Scotland shall have, and may at any time and from time to time without prior notice to the Company exercise a right of set-off or retention in respect of all monies standing to the credit of the Company's account(s) with Bank of Scotland of whatsoever nature and in whatever currency against payment of all monies that may become owing from the Company to Bank of Scotland on any account(s) or in any manner whatsoever including its liability under the Guarantee and whether actually or contingently, alone or jointly with any other(s) and whether as principal or surety or cautioner and in whatever name, style or form together with interest, discount, commission and all other charges and expenses; the Bank may at any time and from time to time in such manner and to such extent as it sees fit and without prior notice to the Guarantor:-
  - (a) apply all monies standing to the credit of the Company's said account(s) to a separate suspense account(s); and/or
  - (b) apply all monies standing to the credit of the Company's said account(s) and/or suspense account(s) in reduction or extinction of all monies (or any of them in such proportions as Bank of Scotland sees fit) that be owing from the Guarantor to Bank of Scotland; and/or
  - (c) refuse payment of any cheque, bill or other document the payment of which to the debit of any Company's account would reduce the total of credit balances held on behalf of the Company below the amount owing to the Bank for the time being by the Principal whether actually or contingently; and/or
  - (d) debit any account(s) of the Company with any monies then due and payable by the Company to Bank of Scotland pursuant to the terms of the Guarantee.

In respect of the Company's liability under the Guarantee, Bank of Scotland shall have a lien on all securities or other property of the Company held by the Bank whether for safe custody or otherwise.

When the Guarantee is executed by or on behalf of two or more parties as Guarantor the liability of each of them to the Bank shall be joint and several, every agreement and undertaking on their part shall take effect accordingly and all references to the Guarantor shall (where the context admits) take effect as references to any of such parties. The Bank may release or discharge any of such parties from their obligations under the Guarantee or accept any composition from or make any arrangements with any of such parties without releasing or discharging the other or others or otherwise prejudicially or affecting the Bank's rights and remedies against the other or others.

For the purpose of this Clause 3 the following term shall have the following meaning:

"Obligations" means all monies and liabilities which shall for the time being and from time to time be due or incurred by the Principal to Bank of Scotland whatsoever whether actually or contingently and whether incurred solely, severally or jointly with any other person and whether as principal or surety or cautioner and whether on account of monies advanced, bills of exchange, promissory notes, guarantees, indemnities and including interest, discount, commission and other charges or expenses which Bank of Scotland may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Principal's account together with:-

- (i) such further sums for interest (whether or not the same shall have been compounded), commission and banking charges accruing to Bank of Scotland from the Principal before or after the date of demand or the expiration of the said notice, as the case may be, and not debited to the Principal's account at such date, (and so that as against the Company interest shall be deemed to be a liability of the Principal hereby secured notwithstanding that for any reason interest may have ceased to accrue against the Principal).
- (ii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) recoverable by Bank of Scotland from the Principal,
- (iii) (on a full indemnity basis) all costs and expenses (including without limitation legal costs) charged or incurred by Bank of Scotland in perfecting or in or about the recovery of attempted recovery of the monies due to Bank of Scotland under the Guarantee, and interest on the foregoing day by day from demand under the Guarantee until full discharge such interest to be chargeable at the rate of interest payable or deemed to be payable by the Principal (whether before or after judgment) as calculated and compounded in accordance with the practice of Bank of Scotland from time to time.