

CHFP025

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

# 155(6)a

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

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

For official use

Company number

02570509

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

Name of company

\* MANCHESTER UNITED LIMITED

\* insert full name  
of company

I/We ☐ See Rider 1

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

† delete as appropriate

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

The business of the company is:

§ delete whichever  
is inappropriate

(a) XXXXX XX a recognised bank / licence holder / trust / company with no real meaning of the Banking Act 1986  
(b) XXXX XX a person authorised under section 5B of the Financial Services and Markets Act 2000 as a  
in accordance with the provisions of the Act

(c) something other than the above§

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

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

The number and class of the shares acquired or to be acquired is: See Rider 2

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

Allen & Overy LLP  
One New Change  
London  
EC4M 9QQ  
81528/00001  
BK:3437278

For official Use  
General Section

Post room



**A31**  
**COMPANIES HOUSE**

576  
24/11/2005

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

Please do not  
write in this  
margin

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

The assistance will take the form of:

See Rider 3

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

† delete as  
appropriate

See Rider 2

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

See Rider 4

The amount of cash to be transferred to the person assisted is £ See Rider 5

The value of any asset to be transferred to the person assisted is £ See Rider 5

The date on which the assistance is to be given is See Rider 6

Please do not  
write in this  
margin

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

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

I/We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) [I/We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]\* (note 3)

(b) [It is intended to commence the winding up of the company within 12 months of that date, and I/we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up]\* (note 3)

And I/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at

MANCHESTER

Day Month Year

on 

|   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|
| 2 | 1 | 1 | 1 | 2 | 0 | 0 | 5 |
|---|---|---|---|---|---|---|---|

before me [Signature]

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

Declarants to sign below

[Signatures]

## NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies  
Companies House  
Crown Way  
Cardiff  
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies  
37 Castle Terrace  
Edinburgh  
EH1 2EB

## **RIDER 1**

### **Manchester United Limited Directors**

Joel Glazer  
9 Cheapside  
London  
EC2V 6AD

Avram Glazer  
9 Cheapside  
London  
EC2V 6AD

Bryan Glazer  
9 Cheapside  
London  
EC2V 6AD

David Gill  
Sir Matt Busby Way  
Old Trafford  
Manchester  
M16 0RA

Nicholas Humby  
Sir Matt Busby Way  
Old Trafford  
Manchester  
M16 0RA

Andrew Anson  
Sir Matt Busby Way  
Old Trafford  
Manchester  
M16 0RA

## **RIDER 2**

### **Acquisition of Manchester United Limited**

(a) The number and class of shares acquired is:

265, 192, 483 ordinary shares

(b) The assistance is to be given to:

Red Football Limited (No. 5370076)

(c) The person who acquired the shares is:

Red Football Limited (No. 5370076)

## RIDER 3

The assistance will take the form of:

### 1. INTRODUCTION

#### 1.1 In this Form 155:

**Red** means Red Football Limited

**MU Ltd** means Red's wholly owned subsidiary Manchester United Limited

**MUFC** means Red's and MU Ltd's wholly owned subsidiary Manchester United Football Club Limited (**MUFC**)

Red, MU Ltd and MUFC are together the **Companies**

MU Ltd and MUFC are together the **MU Companies**.

#### 1.2 The background to this transaction is the acquisition by Red of the entire issued share capital of MU Ltd (the **Acquisition**).

#### 1.3 The Acquisition was effected by the following separate transactions:

- (a) the acquisition by private contract by Red from The Cubic Expression Company Limited and others on 12 May 2005 of shares in MU Ltd which (taken together with the shares contributed to Red's wholly owned subsidiary Red Football Junior Limited (**Red Junior**)) gave Red control over the majority of the ordinary shares in MU Ltd;
- (b) immediately following the Cubic acquisition, Red made a takeover offer (under Rule 9 of the City Code) and authorised its brokers to make market purchases;
- (c) pursuant to acceptances under the takeover offer and the market purchases, Red reached the level required to invoke the statutory squeeze out procedures under the Act. Red has implemented such procedures and, on 27 September 2005, pursuant to the statutory squeeze out procedures, Red acquired all remaining shares in MU Ltd; and
- (d) as a result of the above, Red, together with Red Junior, has acquired all the issued share capital of MU Ltd (and MU Ltd is therefore a "wholly-owned subsidiary" of Red for the purposes of the Act).

Following completion of the statutory squeeze out procedures, Red and Red Junior, on 10 October 2005, together passed the necessary resolution to re-register MU Ltd as a private limited company and a certificate of incorporation to such effect was issued on 11 October 2005 by the Registrar of Companies.

#### 1.4 Red partly financed the Acquisition by way of borrowing under senior loan facilities (the **Senior Loan Facilities**) advanced by certain lending banks (the **Banks**) under a senior credit agreement dated 11 May 2005 (the **Senior Credit Agreement** or **SCA**) between, among others, (1) Red, (2) J.P. Morgan plc as Mandated Lead Arranger and (3) J.P. Morgan Europe Limited as facility agent. The Senior Loan Facilities include term loans (which were applied in financing the Acquisition) as well as revolving and capital expenditure facilities.

1.5 MU Ltd has previously entered into:

- (a) an accession agreement dated 20 June 2005 (the **MU Ltd Accession Agreement**) to the Senior Credit Agreement between, inter alia, (1) MU Ltd and (2) J.P. Morgan Europe Limited in its capacity as facility agent under the Senior Credit Agreement, whereby it became an additional borrower and (subject as stated in 1.7 below) an additional guarantor;
- (b) an accession deed dated 23 June 2005 (the **MU Accession Deed**) to the Security Trustee Agreement between (1) MU Ltd and (2) J.P. Morgan Europe Limited as security trustee whereby MU Ltd agreed, amongst other things, to the security trustee holding its guarantee on trust for the secured parties;
- (c) a debenture dated 23 June 2005 (the **MU Ltd Debenture**) between (1) MU Ltd and (2) J.P. Morgan Europe Limited as security trustee, creating first fixed charges and floating charges over its assets and undertaking as security for its obligations as additional borrower and (subject as stated in 1.7 below) additional guarantor; and
- (d) two legal mortgages dated 23 June 2005 and 8 July 2005 (the **MU Ltd Mortgages**) between (1) MU Ltd and (2) J.P. Morgan Europe Limited as security trustee, creating certain legal mortgages as security for its obligations as additional borrower and (subject as stated in 1.7 below) additional guarantor.

1.6 MUFC has previously entered into:

- (a) an accession agreement dated 17 June 2005 (the **MUFC Accession Agreement**) to the Senior Credit Agreement between, inter alia, (1) MUFC and (2) J.P. Morgan Europe Limited in its capacity as facility agent under the Senior Credit Agreement, whereby it became an additional borrower and (subject as stated in 1.7 below) an additional guarantor;
- (b) a debenture dated 23 June 2005 (the **MUFC Debenture**) between (1) MUFC and (2) J.P. Morgan Europe Limited as security trustee, creating first fixed charges and floating charges over its assets and undertaking as security for its obligations as additional borrower and (subject as stated in 1.7 below) additional guarantor; and
- (c) a legal mortgages dated 23 June 2005 (the **MUFC Mortgage**) between (1) MUFC and (2) J.P. Morgan Europe Limited as security trustee, creating certain legal mortgages as security for its obligations as additional borrower and (subject as stated in 1.7 below) additional guarantor.

1.7 In relation to the liabilities assumed by MU Ltd and MUFC by way of guarantee as a result of their becoming Additional Guarantors as set out in 1.5 and 1.6 above, it was provided:

- (a) by Clause 25.30(c) of the Senior Credit Agreement that, prior to the Whitewash Date (as defined therein) that the scope of the guarantees provided by MU Ltd and MUFC shall only be in respect of each other's obligations as Borrowers; and
- (b) by the proviso to Clause 21.1 of the Senior Credit Agreement, that each of MU Ltd and MUFC as Additional Guarantors shall only assume a liability pursuant to such Clause 21.1 to the extent to do so would not breach any applicable prohibition on financial assistance.

These limitations (the **Limitations**) meant that neither of the MU Companies gave any guarantee or security of the term loans borrowed by Red under the Senior Credit Agreement because these loans had been used to assist Red to make the Acquisition and, as such, could not lawfully have been guaranteed or secured by MU Ltd (or MUFC) since at that time MU Ltd was a PLC.

## **2. THE PROPOSED FINANCIAL ASSISTANCE RELATING TO THE ACQUISITION**

It is proposed that MU Ltd and MUFC will provide support for the Senior Loan Facilities by:

- (a) agreeing to remove the Limitations with the result that the MU Companies will guarantee and secure the term loans borrowed by Red under the Senior Credit Agreement which had been used to assist Red to make the Acquisition; and
- (b) entering into additional arrangements to facilitate the movement of cash from the MU Companies to Red,

(all as described in more detail below).



#### RIDER 4

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

- (a) the supplemental accession letter (the **Supplemental Accession Letter**) to the Senior Credit Agreement between, inter alia, (1) MU Ltd and (2) J.P. Morgan Europe Limited as facility agent pursuant to which MU Ltd agrees and confirms that the limitations on its guarantee and indemnity obligations in the Senior Credit Agreement are removed so that its obligations under the Senior Credit Agreement will extend to all obligations of the Obligor under the Finance Documents (as defined in the Senior Credit Agreement) including in respect of monies borrowed under it which had been used by Red to assist it to acquire shares in it. In particular MU Ltd under the supplemental accession letter:
  - (i) confirms that with effect from the date of the Supplemental Accession Letter neither the proviso to Clause 21.1 nor the provisions of Clause 25.30(c) of the Senior Credit Agreement shall apply to the obligations of MU Ltd as an Additional Guarantor;
  - (ii) confirms that with effect from the date of this Supplemental Accession Letter the obligations of MU Ltd as an Additional Guarantor shall extend to and apply in relation to all obligations of each other Obligor under the Finance Documents (including without limitation the obligations of Bidco as Borrower of the Facilities);
  - (iii) confirms that with effect from the date of this Supplemental Accession Letter the Transaction Security (as defined in the Senior Credit Agreement) granted by MU Ltd shall extend to and apply in relation to all obligations of each other Obligor under the Finance Documents (including without limitation the obligations of Bidco as Borrower of the Facilities);
- (b) the supplemental accession letter (the **Supplemental Accession Letter**) to the Senior Credit Agreement between, inter alia, (1) MUFC and (2) J.P. Morgan Europe Limited as facility agent pursuant to which MUFC agrees and confirms that the limitations on its guarantee and indemnity obligations in the Senior Credit Agreement are removed so that its obligations under the Senior Credit Agreement will extend to all obligations of the Obligor under the Finance Documents (as defined in the Senior Credit Agreement) including in respect of monies borrowed under it which had been used by Red to assist it to acquire shares in MU Ltd. In particular MUFC under the supplemental accession letter:
  - (i) confirms that with effect from the date of the Supplemental Accession Letter neither the proviso to Clause 21.1 nor the provisions of Clause 25.30(c) of the Senior Credit Agreement shall apply to the obligations of MUFC as an Additional Guarantor;
  - (ii) confirms that with effect from the date of this Supplemental Accession Letter the obligations of MUFC as an Additional Guarantor shall extend to and apply in relation to all obligations of each other Obligor under the Finance Documents (including without limitation the obligations of Bidco as Borrower of the Facilities);
  - (iii) confirms that with effect from the date of this Supplemental Accession Letter the Transaction Security (as defined in the Senior Credit Agreement) granted by MUFC shall extend to and apply in relation to all obligations of each other Obligor under the Finance Documents (including without limitation the obligations of Bidco as Borrower of the Facilities);
- (c) an intra group funding agreement (the **MU Companies-Red Funding Agreement**) between (1) the MU Companies as lenders and (2) and Red and MU Ltd as borrowers, pursuant to which the MU

Companies agree to lend money to Red on the terms and conditions thereof, to enable, amongst other things, Red to meet its debt service requirements under the Senior Credit Agreement as they fall due, any other amounts due to the Banks by way of interest and any other sums due on the Senior Loan Facilities and the other Finance Documents. Such loans would also be used to defray other liabilities that Red (and its affiliates) may have incurred in respect of the Acquisition. The margin for the interest rate would be at 3 per cent. per annum over the Lenders Rate (as defined therein) and the maturity of the loans would be 31 December 2020. The MU Companies have subordinated their rights to repayment of these loans under the terms of the Security Trustee Agreement.

## **RIDER 5**

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

Any amounts lent under the MU Companies-Red Funding Agreement from time to time.

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

Nil

## **RIDER 6**

The date on which the assistance is to be given is within 8 weeks from the date of this declaration.

The Directors

Manchester United Limited  
Sir Matt Busby Way  
Old Trafford  
Manchester  
M16 0RA

21 November 2005

Dear Sirs

**Auditors' report to the directors of Manchester United Limited pursuant to Section 156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors of Manchester United Limited (the "Company") dated 21 November 2005 in connection with the proposal that the Company should give financial assistance for the purchase of the ordinary shares of the Company. This report including the opinion, has been prepared for and only for the Company and the Company's directors in accordance with Section 156 of the Companies Act 1985 and for no other purpose. We do not, in giving the opinion set out below, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

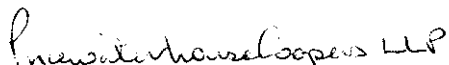
**Basis of opinion**

We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

**Opinion**

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully



PricewaterhouseCoopers LLP  
*Chartered Accountants and Registered Auditors*