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COMPANIES FORM No. 155(6)a

**Declaration in relation to assistance  
for the acquisition of shares****155(6)a**

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

Please do not write  
in this marginPlease complete  
legibly, preferably in  
black type or bold  
block lettering**Note**Please read the  
notes on page 3  
before completing  
this form.\* Insert full name  
of company§ insert name(s) and  
address(es) of all  
the directorsTo the Registrar of Companies  
(address overleaf)

For official use

Company number

| |

2571806

Name of company

**MAGIC EFFECTS LIMITED**\* We ~~of~~ Denise Collins of 1 The Slopes, Knappston Road, Monkstown,  
Co Dublin, Republic of Ireland

David Franks of 1 Lamorna Close, Radlett, Herts, WD7 7DR

Robin Shenfield of Flat 1, 52 Aberdeen Park, London, N5 2BL

Y delete as  
appropriate~~the sole director~~ all the directors Y of the above company do solemnly and sincerely  
declare that:

The business of the company is:

~~(a) that of a [recognised bank] [licensed institution] Y within the meaning of the  
Banking Act 1979~~~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies  
Act 1982 to carry on insurance business in the United Kingdom~~

(c) something other than the above §

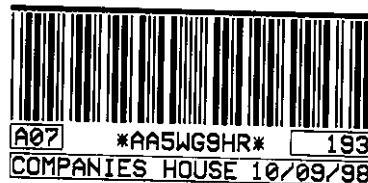
§ delete whichever  
is inappropriateThe company is proposing to give financial assistance in connection with the  
acquisition of shares in the ~~company~~ ~~company's holding company~~

Limited] Y

The assistance is for the purpose of ~~that acquisition~~ ~~reducing or discharging a liability  
incurred for the purpose of that acquisition~~ YThe number and class of the shares acquired or to be acquired is: 950  
ordinary shares of £1 eachPresentor's name address  
and reference (if any):MARRIOTT HARRISON  
12 Great James Street  
London  
WC1N 3DR  
Ref: JP/FS  
Tel: 0171-209 2000

For official use

General Section



Please do not write  
in this margin

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

The assistance is to be given to: (note 2) The Mill (Facility) Limited whose  
registered office is at 40-41 Great Marlborough Street, London,  
W1V 1DA

The assistance will take the form of:

See paragraph 1 of continuation sheet attached.

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

The Mill (Facility) Limited

The principal terms on which assistance will be given are:

See paragraph 2 of continuation sheet attached.

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 £ Nil

The date on which the assistance is to be given is 2<sup>nd</sup> SEPTEMBER 19 98

*act* *DB*  
*Dne*

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

Please do not write in this margin

✓ delete as appropriate

~~1~~ 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) ~~1~~ 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 ~~1~~ we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835

Declared at \_\_\_\_\_

Declarants to sign below

the 2 day of September

one thousand nine hundred and Eight

before me L. H. St. John

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

..... Denise Collins .....

..... David Franks .....

..... Robin Shenfield .....

#### 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  
CF4 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies  
Companies House  
37 Castle Terrace  
Edinburgh  
EH1 2EB

**Continuation Sheet for Form 155(6)a**

Company Name: **Magic Effects Limited**

Company Number: **2571806**

1. The assistance will take the form of a Corporate Guarantee and Debenture ("Guarantee") to be given by the Company in favour of The Governor and Company of the Bank of Scotland ("the Bank").
2. The principal terms on which the assistance will be given are as follows:
  - (a) The Company covenants that it will on demand by the Bank pay or discharge to the Bank all money and liabilities now or in the future due, owing or incurred in any manner to the Bank by such Company.
  - (b) The Company covenants and guarantees that it will on demand made to it pay or discharge to the Bank all money and liabilities now or in the future due, owing or incurred in any manner to the Bank by MDM Group Limited, The Mill (Facility) Limited or any of its subsidiaries except as a guarantor for the Company giving this covenant;

in either case, whether on or after such demand, whether actually or contingently, whether solely or jointly with any other person, whether as principal or surety and whether or not the Bank was an original party to the relevant transaction, including all interest, commission, fees, charges, costs and expenses which the Bank may in the course of its business charge or incur in respect of MDM Group Limited, The Mill (Facility) Limited or any of its subsidiaries or its affairs.
  - (c) The Company with full title guarantee charges to the Bank with the payment or discharge of all sums due under (a) and (b) above:
    - (i) By way of first legal mortgage, all freehold and leasehold property in England and Wales now vested in the Company.
    - (ii) By way of first fixed charge, all freehold and leasehold property now being or in the future becoming the property of the Company.
    - (iii) By way of first fixed charge, all interests in freehold and leasehold property or the proceeds of sale of freehold and leasehold property now or in the future belonging to the

Company and all licences now or in the future held by the Company to enter upon, use or exploit freehold and leasehold property and the benefit of all options, easements, agreements for lease and other agreements relating to the acquisition, use, exploitation or disposal of freehold or leasehold property to which the Company is or may in the future become entitled.

- (iv) By way of first fixed charge, all plant and machinery of such Company now or in the future attached to any freehold or leasehold property and all rights and interests of the Company under all present and future agreements for the purchase, maintenance or use of plant and machinery so attached.
- (v) By way of first fixed charge, all securities belonging to the Company.
- (vi) By way of first fixed charge, all contracts and policies of insurance and assurance now or in the future held by or otherwise benefiting the Company.
- (vii) By way of first fixed charge, all the goodwill and uncalled capital for the time being of the Company.
- (viii) By way of fixed first charge, all intellectual property rights of the Company.
- (ix) By way of first fixed charge, all book and other debts now or in the future owing to the Company.
- (x) By way of first fixed charge, the benefit of all negotiable instruments, guarantees bonds and debentures, legal or equitable charges and all other security.
- (xi) By way of first fixed charge, all money at any time standing to the credit of any bank account relating to the Company.
- (xii) By way of floating charge all assets now or in the future owned by the Company except to the extent that such Assets are from time to time effectively charged by the fixed charges above.
- (xiii) The Company with full title guarantee assigns (insofar as they are capable of being assigned by way of security) in favour of the Bank but subject to the right of the Company to redeem

such assignment upon the full payment or discharge of all sums due under paragraphs (a) and (b) above, various rights and claims of the Company against third parties



## AUDITORS' REPORT TO THE DIRECTORS OF THE MAGIC EFFECTS COMPANY LIMITED PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

We have examined the attached statutory declaration of the directors dated 1 September 1998 in connection with the proposal that the company should give financial assistance for the purchase of all the company's ordinary shares.

### Basis of opinion

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

### Opinion

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

**Deloitte & Touche**  
**Registered Auditors**  
**1 September 1998**