



155(6)b

1	2	3	4	5	6
1	1	1	1	1	1
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3571899

Name of company

* Buy As You View Holdings Limited

X/Weø See Annex 1

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

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

The business of this company is:

(a) 0xKXxAXP6oGyNsEMxAMHjXpU8dSeCXtE0TKDnNfXXxAx00eAP0NgXAKXNAKXBanK7KyYACX797EXXXXXX
 (b) 0xKXKXxP6S6KXcUNOfSEdXUfUEKXeSNOKXBX6PXZ0FXNXNSdF6KSX0z0HPzIn6SX6CX0BZX06X6fKYKXXX
 iKUXNMKXMSK6SLXNKXDKMCKKNgMm6RX
 (c) something other than the aboveS

This company is ~~XXXX~~ [a] holding company of* Dunraven Developments Limited
_____ which is
proposing to give financial assistance in connection with the acquisition of shares
in ~~XXXXXX~~ Buy As You View Group Limited
_____ the holding company of this company. It

Post room



LD4
COMPANIES HOUSE

0068
04/08/04

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) Malachite 2 Limited

Ty Rhondda, Forest View Business Park, Llantrisant, Pontyclun, Mid Glamorgan,
CF72 8LX

See Annex 3

† delete as appropriate

See Annex 4

The amount of cash to be transferred to the person assisted is £ SEE ANNEX 5

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

WITHIN 8 WEEKS OF THE DATE HEREOF

Laserform International 12/99

**Annexures to the Statutory Declaration made by all the Directors of
Buy As You View Holdings Limited (the "Holding Company") in respect of
financial assistance to be given by the subsidiary undertaking of the Holding Company,
Dunraven Developments Limited (the "Company") in relation to the acquisition of the
entire issued share capital of Buy As You View Group Limited**

Terms not defined in Annexes 3 and 4 are defined in Annex 6

Annex 1

The Directors of the Holding Company are:

Michael Henderson:	St. Annes Lodge, St. Annes Court, Talygarn, Pontyclun, Mid Glamorgan CF72 9HH
Randall Edwards:	Springfield, Broughton, Cowbridge, CF71 7QR
Mark Lanyon:	56 Coed Mieri, Tyla Garw, Pontyclun CF72 9UW

Annex 2

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

7,000 A Ordinary Shares of £1 in the capital of Buy As You View Group Limited.
3,000 Ordinary Shares of £1 in the capital of Buy As You View Group Limited.

Annex 3

Form of financial assistance:

- 1 Under:
 - 1.1 a £108,000,000 senior facilities agreement (the "**Senior Facilities Agreement**") to be entered into between, among others, Malachite 2 Limited (the "**Purchaser**") and Dunraven Finance Limited (the "**Receivables Borrower**"), Malachite 1 Limited (the "**Parent**"), the Original Guarantors, the Original Lenders (as defined therein) and Barclays Bank PLC in its various capacities named therein, including as security agent ("**Security Agent**");
 - 1.2 a £12,000,000 mezzanine facility agreement (the "**Mezzanine Facility Agreement**") to be entered into between, among others, the Purchaser as original borrower, the Parent, the Original Guarantors and Barclays Bank PLC in each of its capacities named therein,

together the "**Facility Agreements**".
 - 1.2.1 the Purchaser may use the proceeds of drawings under the Term Facility and the Mezzanine Facility and certain amounts borrowed by the Receivables Borrower under the Revolving Warehouse Facility and on-lent by the Receivables Borrower to the Purchaser for, inter alia, the purpose of (i) funding the payment of the purchase price for the acquisition (the "**Acquisition**") of the issued share capital of Buy As You View Group Limited (the "**Target**"), (ii) paying associated fees, costs and expenses incidental to the Acquisition, (iii) refinancing certain debts owed by the Holding Company and its subsidiaries previously used to assist with the acquisition of shares in the Holding Company and (iv) acquiring the Existing Loan Notes.

- 1.2.2 by executing each of the Facility Agreements, the Company will give a guarantee to each of the Finance Parties of all obligations of each other Obligor thereunder owed to the Finance Parties under the Finance Documents and will also give certain representations and warranties, covenants and indemnities to the Finance Parties to cause the Finance Parties to make each Facility available.
- 2 The entry by the Company into a composite debenture (the “**Debenture**”) to be granted by the Obligors in favour of the Security Agent for the benefit of the Finance Parties, to secure all present and future obligations and liabilities (whether actual or contingent and whether incurred jointly or severally or in any other capacity) owed by it to the Finance Parties under the Finance Documents.
- 3 The entry by the Company into an intercreditor agreement (the “**Intercreditor Agreement**”) to be entered into between the Parent, certain subsidiaries of the Parent, the parties to each of the Facilities Agreements and the persons named therein as Investors and Vendor, which, inter alia, governs the subordination of the subordinated loans referred to therein and the priorities between the various beneficiaries of the Debenture.
- 4 The entry by the Company into a £200,000,000 intra-group loan agreement (the “**Intra-Group Loan Agreement**”) to be entered into between the Purchaser and the Receivables Borrower as borrowers and, inter alios, the Company as a lender to enable each of the Purchaser and the Receivables Borrower to borrow funds to meet its payment obligations under each of the Facility Agreements.
- 5 The entry by the Company into a cross-guarantee deed (the “**Cross Guarantee Deed**”) to be entered into between the Parent, the Purchaser, the Company and other subsidiaries of the Purchaser in favour of Barclays Bank PLC (as the “**Bank**”) under which the Obligors will give an unlimited cross guarantee to the Bank to secure all monies owing now or in the future to the Bank.
- 6 The entry by the Company into a vendor loan note instrument and vendor loan notes, which contain among other things a guarantee and indemnity (together the “**VLN Guarantees**”) under which the Company and other subsidiaries of the Purchaser will give a guarantee to the vendor loan note holder in respect of all obligations of the Purchaser thereunder.
- 7 The entry by the Company into a composite debenture (the “**VLN Debenture**”) to be granted by the Parent, the Purchaser and other subsidiaries of the Purchaser in favour of the vendor loan note holder to secure all present and future obligations and liabilities (whether actual or contingent or whether incurred jointly or severally or in any other capacity) owed to the vendor loan note holder.

Annex 4

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

- 1 Pursuant to each of the Facility Agreements, the Company agrees to irrevocably and unconditionally:
- 1.1 guarantee to each Finance Party punctual performance by each other Obligor of all that Obligor’s obligations under the Finance Documents;
- 1.2 undertakes with each Finance Party that whenever a Borrower does not pay any amount when due under or in connection with any Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor; and

- 1.3 indemnifies each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.
- 2 Pursuant to the Debenture, the Company agrees that, as first ranking security, it will:
- 2.1 covenant that it shall, on the Security Agent's written demand, pay or discharge to the Security Agent all monies now or in the future due, owing or incurred by it to each Finance Party, under or pursuant to the Finance Documents (the "**Secured Obligations**") whether on or after such demand; and
- 2.2 grant to the Security Agent with full title guarantee first fixed and floating charges over all its undertaking, property and assets present and future, as continuing security for the payment or discharge of the Secured Obligations and assigns and agrees to assign absolutely in favour of the Security Agent all its rights, title, interest and benefit in and to the Receivables and the Customer Loan Receivables; and
- 2.3 whenever requested by the Security Agent and at its own expense, promptly execute such deeds or documents and take any action required by the Security Agent to perfect and protect the security created (or intended to be created) by the Debenture or to facilitate the realisation thereof or otherwise to enforce the same or exercise any of the rights of the Security Agent under the Debenture.
- 3 Pursuant to the Intercreditor Agreement, the Company will:
- 3.1 acknowledge the arrangements made between the parties thereto which regulate (inter alia) the ability of the Company to make certain payments to certain of its secured and unsecured creditors (including certain of the Finance Parties); and
- 3.2 give certain undertakings in relation to the debt owed to it by other members of the Group (as defined in each of the Facility Agreements) in order to subordinate the rights in relation to such debt to the rights of the Finance Parties.
- 4 Pursuant to the Intra-Group Loan Agreement, the Company and the other lenders therein will undertake to the Purchaser that they will provide the Purchaser and the Receivables Borrower with a revolving loan facility in the maximum aggregate principal amount detailed therein. Sums drawn down by the Purchaser and the Receivables Borrower under the Intra-Group Loan Agreement may be used (a) to discharge amounts outstanding by way of principal or interest under the Finance Documents or any agreements securing borrowings under the Finance Documents, (b) to pay any part of the consideration for, and any costs and expenses incurred directly or indirectly in connection with the Acquisition, (c) to reduce or discharge any other liability incurred directly or indirectly for the purpose of or otherwise in connection with the Acquisition, (d) to fund any dividend payments and (e) for such other purposes as the lenders under the Intra-Group Loan Agreement may agree in writing.
- 5 Pursuant to the Cross Guarantee Deed the Company agrees:
- 5.1 to guarantee the payment to the Bank by each and every other Obligor of all monies now or in the future due or owing to the Bank by such other participants (the "**Cross Guarantee**"); and
- 5.2 that, once the Cross Guarantee has become enforceable, the Bank may transfer or appropriate all or any money standing to the credit of the Company (in account or otherwise) as the Bank thinks fit in or towards satisfaction of the Company's liability under the Cross Guarantee (whether or not a demand has been made by the Bank on

the relevant Obligor or the Company) and purchase with all or part of such money any currency or currencies required to give effect to such transfer or appropriation.

- 6 Pursuant to the VLN Guarantee, the Company guarantees the due and punctual payment by the Purchaser to the Noteholders of the principal amount of the Vendor Loan Notes and interest and commission due and payable on the Vendor Loan Notes registered in their respective names on the terms and subject to the limitations set out in the Vendor Loan Note Instrument.
- 7 Pursuant to the VLN Debenture, the Company agrees that, as first ranking security, it will:
 - 7.1 covenant that it shall, on the Noteholders' written demand, pay or discharge to the Noteholders all monies now or in the future due, owing or incurred by it to each Noteholder, under or pursuant to the Vendor Loan Notes (the "**Secured Vendor Loan Note Obligations**") whether on or after such demand; and
 - 7.2 grant to the Noteholders with full title guarantee fixed and floating charges over all its undertaking, property and assets present and future, as continuing security for the payment or discharge of the Secured Vendor Loan Note Obligations; and
 - 7.3 whenever requested by the Noteholders and at its own expense, promptly execute such deeds or documents and take any action required by the Noteholders to perfect and protect the security created (or intended to be created) by the VLN Debenture or to facilitate the realisation thereof or otherwise to enforce the same or exercise any of the rights of the Noteholders under the VLN Debenture.

Annex 5

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

Nil at the date hereof subject to any advances made under the Intra-Group Loan Agreement as defined in Annex 3.

Annex 6

Customer Loan Receivables means money due or owing in respect of any Customer Loans (as such term is defined in the Senior Facilities Agreement) and all proceeds of the foregoing;

Existing Loan Notes means

- (i) means the class A loan notes in the amount of £2,000,000 issued on 23 December 2003 by Buy As You View Group Limited to Gerald Coleman;
- (ii) the class B loan notes in the amount of £8,000,000 issued on 23 December 2003 by Buy As You View Group Limited to Gerald Coleman; and
- (iii) the class C loan notes in the amount of £24,000,000 issued on 23 December 2003 by Buy As You View Group Limited to various parties including the vendors under the Acquisition;

Facility means any of the Term Facility, the Revolving Warehouse Facility and the Mezzanine Facility;

Finance Documents means the Senior Facilities Agreement, the Mezzanine Facility Agreement, any Accession Letter, the Security Trust Deed, any Overdraft Facility Letter, the Warehouse Borrower Servicing Agreement, any Compliance Certificate, any Fee Letter, any Hedging Agreement, the Intercreditor Agreement, any Resignation Letter, any Selection Notice, any Transaction Security Document, any Utilisation Request (each as defined in the Senior Facilities Agreement and/or

otherwise referred to as a Mezzanine Finance Document under the Mezzanine Facility Agreement (as applicable)) and any other document designated as a "*Finance Document*" by the Agent and the Parent;

Finance Parties means the Agent, Arranger, the Security Agent, a Lender, the LNG Bank, a Hedge Counterparty or the Overdraft Bank under and as defined in the Senior Facilities Agreement and/or the Mezzanine Agent, Mezzanine Arranger and a Mezzanine Lender under and as defined in the Mezzanine Facility Agreement (as applicable);

Noteholders means the several persons for the time being entered in the register of the Purchaser as the holders of the Vendor Loan Notes and includes their personal representatives;

Mezzanine Facility means a term loan facility to be made available to the Purchaser pursuant to the terms of the Mezzanine Facility Agreement;

Original Guarantors means Malachite 1 Limited, Malachite 2 Limited, Dunraven Finance Limited, Buy As You View Group Limited, Buy As You View Holdings Limited, Buy As You View Limited, Dunraven Developments Limited and Coinmechs Limited;

Obligors means the Parent, the Purchaser and the Original Guarantors and any party which may accede to the terms of the Senior Facilities Agreement and the Mezzanine Facility Agreement as an additional borrower and/or guarantor from time to time;

Receivables means:

- (i) all present and future book and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts recoverable or receivable by the Obligor from other persons or due or owing to the Obligor other than Customer Loan Receivables (whether actual or contingent and whether arising under contract or in any other manner whatsoever);
- (ii) the benefit of all rights and remedies relating to any of the foregoing including, without limitation, claims for damages and other remedies for non-payment of the same, all entitlements to interest, negotiable instruments, guarantees, indemnities, Securities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights; and
- (iii) all proceeds of any of the foregoing;

Revolving Warehouse Facility means a revolving credit facility to be made available to the Receivables Borrower pursuant to the terms of the Senior Facilities Agreement;

Term Facility means a term loan facility to be made available to the Purchaser and the Target pursuant to the terms of the Senior Facilities Agreement;

Vendor Loan Note Instrument means the loan note instrument and guarantee creating £16,000,000 series "V" secured and guaranteed loan notes to be issued by the Purchaser; and

Vendor Loan Notes means the series "V" secured loan notes constituted by the Vendor Loan Note Instrument and registered in the names of the Noteholders.



KPMG LLP

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The Directors
Buy As You View Holdings Limited
Ty Rhondda
Forest View Business Park
Llantrisant
Pontyclun
Mid Glamorgan
CF72 8LX

Our ref ab/rh/cl

Contact Alun Bowen
029 204 68010

30 July 2004

Dear Sirs

Auditors' report to the directors of Buy As You View Holdings Limited (the "Company") pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 30 July 2004 in connection with the proposal that Dunraven Developments Limited, of which this company is a holding company, should give financial assistance for the purchase of the ordinary shares of this company's holding company, Buy As You View Group Limited.

This report is made solely to the company's directors as a body in accordance with section 156(4) of the Companies Act 1985. Our work has been undertaken so that we as the company's auditors might state to the company's directors those matters we are required to state to them in a report under section 156(4) of that Act and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's directors as a body for our work under section 156(4) of that Act or for this report.

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

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

KPMG LLP

KPMG LLP
Registered Auditor



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Pontyclun
Mid Glamorgan
CF72 8LX

Our ref ab/rh/cl

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

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

KPMG LLP

KPMG LLP
Registered Auditor



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