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## COMPANIES FORM No. 155(6)b

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

# 155(6)b

Please do not  
write in  
this 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

For official use

Company number

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3639795

Name of company

\*Insert full name  
of company

\* Pennine Retail Systems (Holdings) Limited

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

~~We~~<sup>†</sup> Please see Annexure 1

<sup>†</sup>Insert name(s) and  
address(es) of all  
the directors

Delete as  
appropriate

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

The business of this company is:

<sup>†</sup>Delete whichever  
is inappropriate

- ~~(a) that of a recognised bank~~ [licensed institution] within the meaning of the Banking Act 1979 <sup>†</sup>  
~~(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~~ <sup>†</sup>  
(c) something other than the above <sup>†</sup>

This company is ~~the~~ [a] holding company of\* Guided Image Limited

(company no. 3228729)

which is

proposing to give financial assistance in connection with the acquisition of shares

in [this company]

~~the holding company of this company.]~~

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

Lizanne Gomez  
Osborne Clarke, Apex Plaza,  
Forbury Road, Reading,  
Berkshire, RG1 1AX  
LG/0888015/676402

For official use  
General Section

Post room



A03  
COMPANIES HOUSE

0488  
03/12/04

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:

Please see Annexure 2

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

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

Torex Retail plc (company no. 5034556) whose registered office is at Telfer House, Range Road, Witney, Oxfordshire OX29 0YN

The assistance will take the form of:

Please see Annexure 3

The person who ~~has acquired~~ [will acquire]\* the shares is: Torex Retail plc

(company no. 5034556) whose registered office is at Telfer House, Range Road, Witney, Oxfordshire OX29 0YN

\*Delete as  
appropriate

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

Please see Annexure 4

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is NIL

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

The value of any asset to be transferred to the person assisted is £ n/a

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

The date on which the assistance is to be given is within 8 weeks of the date hereof 19xx

~~1~~We have formed the opinion, as regards this 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 this company will be able to pay its debts as they fall due during the year immediately following that date] † (note 3)

(b) ~~1~~It is intended to commence the winding-up of this company within 12 months of that date and ~~1~~we have formed the opinion that this 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

OSBORNE CLARKE  
HILLGATE HOUSE  
26 OLD EIGHTY  
LONDON E1 17HW

Declarants to sign below

the 29 day of November 2004  
one thousand nine hundred and

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.

*[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.

**Form 155(6)b by  
Pennine Retail Systems (Holdings) Limited (the "Company") relating to Guided Image  
Limited  
(Company no. 3639795)**

**Annexure 1**

Details of directors:

- Nigel Horn – 4 Signal Road, Shipston-on-Stour, Warwickshire, CV36 4GF
- Mark Pearman – The Old Rectory, Honiley, Kenilworth, Warwickshire CV8 1NP
- Richard Thompson – 19 Fairfields Drive, Ravenshead, Nottingham, Nottinghamshire NG15 9HR



**Annexure 2**

The number and class of shares to be acquired is the entire issued share capital of the Company as follows:

£1,375,833.60 divided into:

370,000 A preference shares of 27.8p each;

2,495,000 B preference shares of 0.1p each;

11,290,864 ordinary shares of 1p each;

3,610,000 A ordinary shares of 1p each;

670,000 C preferred ordinary shares of 1p each;

13,124,496 D ordinary shares of 1p each;

17,490,000 E ordinary shares of 1p each; and

22,000,000 F ordinary shares of 1p each.

Form 155(6)b by  
**Pennine Retail Systems (Holdings) Limited (the "Company") relating to Guided Image Limited**  
(Company no. 3639795)

**Annexure 3**

The Company's subsidiary Guided Image Limited ("**the Subsidiary**") is proposing to give financial assistance in connection with the proposal by Torex Retail plc (the "**Purchaser**") to purchase the entire issued share capital of the Company (the "**Acquisition**"). In order to, amongst other things, fund the Acquisition, the Purchaser has entered into a facility agreement (the "**Facility Agreement**") with, inter alia, Lloyds TSB Bank plc (the "**Bank**") for the provision of a sterling term loan facility of £18,000,000 and revolving credit facilities of up to £10,000,000. It is a condition to the Facility Agreement that the Subsidiary provides security (as set out below) in favour of the Bank (as Security Trustee) to, amongst other things, guarantee the obligations of the Purchaser to, inter alia, the Bank under the Facility Agreement:

In order to satisfy inter alia the conditions precedent to the Facility Agreement the Subsidiary will enter into and the financial assistance will take the form of:

1. the execution, delivery and performance by the Subsidiary of a guarantee and debenture (the "**Guarantee and Debenture**") granted by the Chargors as defined therein and including the Subsidiary in favour of Lloyds TSB Bank Plc (the "**Security Trustee**") in its capacity as security trustee and agent for the Lender (as defined therein);
2. the execution of an intra company loan agreement entered into by, inter alia, the Purchaser, the Company and its subsidiaries: Alphameric Retail Limited, Channel Connect Limited, Compass Software Group Limited, Compass Software (UK) Limited, and the Subsidiary (the "**Subsidiaries**") (the "**Intra Group Loan Agreement**") in favour of the Purchaser;
3. the entering into of obligations in respect of tax losses pursuant to a sale and purchase agreement dated 12 November 2004 between Alphameric Retail (Holdings) Limited (the "**Vendor**") (1), Alphameric plc (2) and the Purchaser (3) for the sale and purchase of the entire issued share capital of the Company (the "**Acquisition Agreement**"); and
4. the execution, delivery and performance by the Subsidiary of an intercreditor deed ("**the Intercreditor Deed**") entered into by, inter alia, the (1) Security Trustee, (2) Lloyds TSB Plc (as agent), (3) Lloyd TSB Bank Plc (as Lender), (4) the Purchaser and (5) the Initial Sureties (as defined therein).

**Annexure 4**

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

1. Under the terms of the Guarantee and Debenture the Subsidiary:
  - (a) covenants to pay discharge and perform all obligations present and future owing or incurred to the Finance Parties (as defined therein) by the Purchaser, each Chargor and/or any subsidiary of the Purchaser (the "**Secured Liabilities**");

- (b) guarantees as principal obligor the payment, discharge and performance of the Secured Liabilities to the Finance Parties;
  - (c) indemnifies the Finance Parties on demand against any loss suffered if any obligations granted by the Subsidiary is or becomes unenforceable, invalid or illegal;
  - (d) charges to the Security Trustee by way of first legal mortgages and first fixed charges the scheduled property (as defined therein), the unscheduled property (as defined therein), rental income, plant and machinery, insurances, licences on land, rights as tenant, book and other debts, bank accounts and deposits, security, uncalled capital, goodwill, intellectual property, licences, credit agreements and contracts;
  - (e) charges by way of a first floating charge all its undertaking, property, assets and rights whatsoever, all the stock in trade and property, assets and rights not otherwise effectively charged by way of the fixed mortgages and charges set out in (e) above; and
  - (f) agrees that the Bank may at any time convert any floating charges created by the Guarantee and Debenture into fixed charges;
2. under the Intra Group Loan Agreement the Subsidiary would, if requested by the Purchaser and subject to the terms and conditions thereof, lend to the Purchaser such sums as the Purchaser considers necessary to meet the Purchaser's payment obligations under and in respect of, amongst other things, the Facility Agreement;
  3. under the Acquisition Agreement, the Company has agreed to surrender, for no consideration, trading losses and other amounts eligible for surrender, and arising before Completion (as defined therein), by it or any of its subsidiaries within the Target Group (as defined therein), or to any member of the Vendor's group by way of group relief pursuant to chapter IV of Part X Income and Corporation Taxes Act 1988; and
  4. Under the terms of the Intercreditor Deed:
    - (a) the Security Trustee sets out the terms upon which it is willing to act in such capacity; and
    - (b) the Initial Sureties (including the Subsidiary) agree that the Security Trustee will hold the Trust Property (as defined therein) on trust for the Finance Parties (as defined therein) on the terms and conditions of the Intercreditor Deed and acknowledge and agree the arrangement set out therein .

#### **Annexure 5**

Any sums advanced under the Intra Group Loan Agreement.



HURST MORRISON THOMSON

The Directors  
Pennine Retail Systems (Holdings) Limited  
Bishopsgate House  
Broadford Park, Shalford  
Guildford  
Surrey  
GU4 8ED

5 Fairmile Henley-on-Thames  
Oxfordshire RG9 2JR  
telephone: 01491 579866  
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email: hmt@hmtgroup.co.uk  
www.hmtgroup.com

**Auditors' report to the Directors of Pennine Retail Systems (Holdings) Limited (company no. 3639795) (the "Company") pursuant to section 156(4) of the Companies Act 1985 (the "Act")**

We have examined the attached statutory declaration of the directors of the Company dated 29 Nov 2004 in connection with the proposal that the Company's subsidiary Guided Image Limited (company no. 3228729) should give financial assistance for the acquisition of shares in the Company.

**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 Act is unreasonable in all the circumstances.

Your faithfully

Hurst Morrison Thomson